



TO: Crossroads Partners

FROM: Steven Law

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SUBJECT: Obama's New Class Warfare: Crushing the Middle Class

In a December 21, 2011 strategy memorandum, we wrote, “This White House is no longer a governing presidency but a full-time reelection campaign.” That will be on full display this Tuesday night, when President Obama can be expected to deliver a divisive, partisan State of the Union address aimed at positioning himself and his opponents for the fall elections. The cornerstone of Obama’s positioning strategy will be to change the subject from the failure of his policies and the damage they have caused, to the need for a new economic order that will lift up America’s beleaguered middle class. Center-right advocates need to use the moment to remind voters of how the middle class has fared under Obama’s big government agenda.

President Obama’s overtures to the middle class are nothing new, and they are nothing more than overtures. “Rescuing” the middle class was a key talking point in Barack Obama’s [2008 campaign](#). The middle class was a prominent theme of Obama’s [speech](#) to a Joint Session of Congress in 2009. Obama unveiled a White House [task force](#) on the middle class in his 2010 State of the Union speech. And in his 2011 State of the Union speech, he [exhorted America](#) to let him “relieve the tax burden of middle class families.” In other words, the middle class is at least an annual rhetorical pilgrimage for President Obama.

But after nearly four years and endless speeches to Congress and the nation, what is the state of America’s middle class under Obama’s government-expanding policies?

Decline. Tragically, the middle class is one of the hardest-hit cohorts in Barack Obama’s America. In fact, under President Obama, the middle class has suffered more than under any president in modern history. Since Obama stepped into the Oval Office in 2009:

- More than 2.6 million Americans became impoverished and slipped below the poverty line.
- A record 46 million Americans now receive food stamps.

- 13 million Americans remain unemployed – and millions more have abandoned the labor force altogether after giving up on finding a job.
- The unemployment rate has been stuck above 8% for more than 36 months.
- A million fewer Americans are working now than when Obama took office.
- The median American income has fallen, even as the salaries and benefits of federal workers have gone up.
- Home values have declined – precipitously in some regions – and one out of four mortgages is underwater.
- Medical costs are up nearly 10% in the wake of the Obama health care law.

President Obama has given countless speeches waxing eloquently on the middle class. But his administration has produced a new form of class warfare: a nonstop barrage of economic policies that enriched unions, empowered bureaucrats and invested billions in the business schemes of Obama's financial backers, but made America's middle class smaller, poorer and less stable than it was before Obama took office. For every time that Obama says "middle class" on Tuesday night, center-right advocates should use the opportunity to remind voters and journalists of the extreme distance between his beautiful rhetoric and the grubby reality of his record.