



THINK STRATEGICALLY: Government Progress Index Measures President Biden Three Years in Office

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How the Government Progress Index Works?

The Government Progress Index is a set of metrics developed by Birling Capital. Our innovative algorithm sifts through 15 key variables, encompassing the robustness of the U.S. economy, market vitality, GDP dynamics, and the pulse of unemployment rates, among other key variables that impact the lives of our fellow U.S. Citizens.

The Index evaluates the same 15 parameters using a 40-point scale to see how the Government is advancing or regressing in its efforts. Upon assuming office on January 20, 2021, President Biden inherited his predecessor's Government Progress Index score of 12.4. Fast forward to the present, and the figures speak volumes: President Biden has propelled the Index to an impressive 34.7, showcasing a staggering 179.84% improvement over his predecessor's baseline.

This is a crucial period to assess the Government's progress. The U.S. is in the midst of the 2024 Presidential Election cycle, which will be a rematch of the 2020 election between President Biden and President Trump.

Now, let's delve into the metrics that the Government Progress Index evaluates and how it performed on the significant milestone of the third anniversary in office.

Benchmarks for the U.S.			
President Biden	Jan/20/24	Jan/20/21	Change
Price Per Gallon Regular Gasoline	\$3.18	\$2.55	24.76%
Dow Jones Industrial Average	37,863.80	31,188.38	21.40%
S&P 500	4,839.81	3,851.85	25.65%
Nasdaq Composite	15,310.97	13,457.25	13.77%
Consumer Price Index	3.35%	1.36%	146.32%
Producer Price Index	1.06%	0.84%	26.19%
Unemployment	3.70%	6.70%	-44.78%
GDP Growth Rate	3.40%	4.20%	-19.05%
Labor-force participation rate	62.50%	61.50%	1.63%
Home ownership rate	65.70%	66.00%	1.00%
Median family income	\$99,767	\$90,211	10.59%
U.S. Public debt	\$34,000.00	\$30,934.00	9.91%
Credit Ratings	AA+ and AAA	AA+ and AAA	Unchanged
Access to markets	Full Access	Full Access	Unchanged
Approval Rating	42%	57%	-26.84%
Government Progress Index Score	34.7	12.4	179.84%

Focus Areas:

- **Price per gallon of Gasoline:** One of the segments outside the Government's control is the price of energy, gasoline, and its derivatives, but we measure it because it is one of the parameters that most affect the consumer's pocket and with it, their sentiment, the price in January 2021 stood at \$2.55 per gallon, and in January 2024 it had increased to \$3.18 per gallon, an increase of 24.76%, something that affects multiple industries and consumers. With the wars in Ukraine and Russia as the Israel-Hamas, the price of crude oil has been volatile and has increased significantly.
- **U.S. Equity Markets:** have performed spectacularly since 2021, achieving double-digit returns in all three major indices. As of January 2024, the three-year returns for the major indices have been spectacular; the Dow Jones has a 21.40% return, the S&P 500 has a 25.65% return, and the Nasdaq Composite has a 17.77% return. Since the U.S. economy has continued to grow, low unemployment and Inflation have dramatically decreased all factors, allowing the markets to blossom, even with a high-interest rate environment.
- **Economic Progress:** The U.S. GDP when President Biden took office was 4.20%; during the last three years, the economy's Gross Domestic Product growth has continued and was last measured at 3.40%, representing a decrease of 19.05%. The latest GDPNow for the first quarter of 2024 was updated on April 10, showing a 2.40% GDP growth, which is a welcomed forecast.
- **Employment Growth and Unemployment:** In 2021, the U.S. created more than 8 million jobs; another 4.54 million in 2022, 3.013 million in 2023, and so far into 2024, 829,000; in total, the Biden administration has created 16,386 million new jobs. Should the current pace of 276,000 new jobs per month be sustained, the economy could create another 3.316 million jobs in 2024. The U.S. unemployment rate fell to 3.70% in January 2024, down from 6.70% in January 2021 and well below historical levels. As of January 2024, there were 8.889 million job openings in the U.S. and only 4.926 million job seekers looking for work, an 80.45% deficit. Compared to January 2021, there were 6.758 million job openings and 7.28 million job seekers, a 7.724% surplus.
- **Inflation hurts the economy and impacts the Presidency:** Inflation benchmarks continue to affect President Biden and, to a greater degree, the entire U.S. economy, as the Consumer Price Index (CPI) was at 3.35% in January 2024 versus 1.36% in January 2021, an increase of 146.32%. However, we must clarify that the CPI rose as high as 9.06% in June 2022 so in reality inflation has fallen 63.02% since then. The producer price index (PPI) in January 2021 was at 0.84%, and in January 2024 was at 1.06%, a 29.19% increase, but the PPI rose as high as 9.75% in July 2022 and has fallen since then to 89.12%. The Fed's stance until March 2022 that Inflation was temporary turned out to be completely wrong, and Inflation rose out of control until the Fed increased the rate from March 2022 11 times, taking rates from 0.25% to 5.50%.
- **President's Approval Rating:** According to Gallup, the most recent poll of President Biden's approval rating for January 24 placed him with a 42% approval rating, a decrease of 26.84% from the 57% approval rating he registered in January 2021. The average approval rating since he began his term is 43%, and his lowest approval rating was 37%, recorded in November 2023.

In conclusion, the Government Progress Index reflects a total score of **34.7 for January 2024**, which, compared to the 12.4 Government Progress Index inherited his predecessor's, represents an improvement of **179.84%, underscoring the progress achieved and** indicating that President Biden has a lot of work to further improve the economy. Birling Capital's Government Progress Index helps you see **What Success looks like?** and **How to Understand it?**

What Have Been President Biden's successes and failures?

Most experts agree that President Biden's successes include:

1. **Enhanced Overtime Compensation:** The Biden Department of Labor proposed a groundbreaking regulation to raise the threshold for automatic eligibility for overtime pay from \$35,568 to \$55,000. This benefits 3.6 million additional workers with time-and-a-half compensation for their extra work.
2. **Alleviating Financial Burdens on Families:** The Biden administration has made significant strides in alleviating financial pressures on families through the Inflation Reduction Act. This comprehensive legislation has enabled Medicare to negotiate prices for certain high-cost medications, capped a month's supply of insulin for seniors at \$ 35, and limited seniors' annual out-of-pocket expenses at pharmacies to \$2,000, thereby providing substantial relief to families.
3. **Advancements in Infrastructure and Pandemic Relief:** The Biden administration has successfully guided the passage of two significant pieces of legislation, the \$1.9 trillion COVID relief package and a bipartisan \$1 trillion infrastructure bill. These measures have been instrumental in addressing critical needs arising from the pandemic and enhancing infrastructure nationwide.

On the negative side, most historians consider these issues critical failures:

1. **Afghanistan Withdrawal Backlash:** The withdrawal from Afghanistan elicited widespread condemnation due to its operational challenges and tragic consequences, including the loss of 13 U.S. servicemen and women. Additionally, the relinquishment of billions of dollars worth of arms, vehicles, and equipment to the Taliban raised significant concerns.
2. **Escalation of Border Challenges:** Since assuming office, the Biden administration has grappled with a surge in illegal immigration along the southern border, posing complex challenges in border management and immigration policy.

The Final Word: The Elephant in the Room: President Biden's Age

President Biden's age has emerged as a focal point of critique among his opponents, raising questions about his ability to govern effectively.

Critics point to his advanced age upon assuming office, expressing legitimate concerns about his physical stamina and mental acuity. The age issue raises concerns about whether President Biden can navigate the complexities of the role with the vigor and clarity required or even finish his term, potentially leading to a disruption in governance and jeopardizing national stability.

Despite these concerns, some supporters highlight President Biden's experience and leadership qualities, which they believe outweigh any apprehensions about his age. They emphasize his extensive political career and argue that his maturity and seasoned judgment are invaluable assets in guiding the nation through challenging times. It's worth noting that President Trump, only four years younger than President Biden, has also faced occasional scrutiny over his overall health.

As the political landscape gears up for another clash between President Biden and potentially President Trump, the stage is set for a compelling rematch as the United States embarks on another chapter in its storied history.

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