Between the lines
The U.S. economy lost 600,000 jobs in January and the unemployment rate jumped to 7.6 percent. According to the American Spectator, for the first time in over 25 years, the unemployment rate is higher today than it was at its peak during the last recession. The Wall Street Journal points out that frustrated “voters are angry about unemployment yet fuming about federal spending.” That makes any jobs plan that calls for more government spending politically difficult.

Additional resources
More by Matt Davies
http://davies.lohudblogs.com/
Association of American Editorial Cartoonists
http://editorialcartoonists.com/

The Economic Paradox

Talking points
1. Matt Davies’ cartoon neatly sums up the conundrum in the current economy: In order to have money to spend, people need jobs. But in order to provide jobs, businesses need people to spend money to buy their products and services. Which do you think needs to come first to solve this? Is there a solution?

2. In his State of the Union speech this year, President Obama focused on jobs, calling for tax cuts for job creation. Where does the money the government spends on programs come from? When the government spends more money, what effect can it have on businesses and spending by people?

3. When people are nervous about jobs, they spend less and save more. Saving is a good thing isn’t it? But by saving more, consumers are forcing businesses to cut back. So is saving a bad thing?