

Difficulties With Winning Obama's Third Term: Americans like change, especially in politics and particularly after two terms of the same party in the White House. Many voters will ask if former Secretary of State Hillary Clinton's election will be a third term for President Barack Obama's policies. Nominees from the sitting president's party face a tough challenge even if the incumbent president is popular (Mr. Obama is not). The only time in the last 60 years the incumbent party kept the White House was when then-Vice President George H.W. Bush won the 1988 election after President Ronald Reagan's second term. Mr. Reagan's favorability ratings, foreign policy success, and a strong economy put Bush 41 in a better position than the one the 2016 Democratic nominee will likely inherit from Mr. Obama.

The economy was stronger at this point during Mr. Reagan's second term. Gross Domestic Product (GDP) growth at the end of his fifth year was 3.5%, while it is now 2.4%. Additionally, 62,909,000 Americans were not in the labor force, with a labor force participation rate of 65.6%. Today there are 93,175,000 not in the labor force and the labor force participation rate is even lower at 62.7%. Under Mr. Reagan, the average nonfarm payroll increase from the beginning of his presidency until this time in his second term was 145,000 per month, compared to 48,000 under Mr. Obama during the same time period.

Mr. Reagan's monthly favorability rating was 48% in April of his fifth year in office, and Mr. Obama's rating is slightly lower, at 47.5%. However, Mr. Reagan's cumulative favorability rate was 52.8% at this point in his presidency. Mr. Obama's cumulative favorability rate is 47% and not likely to surge without significant economic gains. Mrs. Clinton faces the challenge of distancing herself from Mr. Obama without alienating his base, especially those who fought to make him the nominee in 2008.

	Reagan	Obama
Favorability April, 5th year	48.0%	47.5%
Favorability Cumulative	52.8%	47.0%
Not in Labor Force March, 5th year	62,909,000	93,175,000
Labor Force Participation March, 5th year	65.6%	62.7%
Avg. Nonfarm Payroll Increase April, 5th year	145,000	48,000
GDP End of 2nd year, 2nd term	3.5%	2.4%

Sources: Bureau of Labor Statistics (BLS), Gallup and Bureau of Economic Analysis (BEA)