

Mike Huckabee says he 'raised average family income by 50 percent' as Arkansas governor

By Louis Jacobson

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Former Arkansas Gov. Mike Huckabee is poised to join the fast-growing growing field of Republican presidential hopefuls for 2016. A <u>video</u> touting his potential as a candidate focuses on his economic record and his ability to beat the Clintons.

In the video, Huckabee says in a voice-over that "as governor of Arkansas, I cut taxes and welfare, balanced the budget every year for 10 years, and raised average family income by 50 percent." (The video was officially released by a political action committee aligned with Huckabee called the Prosperity for All Fund on May 1, 2015.)

That struck us as an impressive increase in incomes, even if it did come over a 10-year period. We wondered: Is it correct?

Let's start by looking at the numbers.

When we reached out to Huckabee's camp, they pointed us to data from the federal Bureau of Economic Analysis tracking per-capita personal income in each state. Huckabee served from July 15, 1996, to Jan. 8, 2007, so the campaign used data for Arkansas between 1995 and 2006.

In 1995, the per-capita income figure was \$18,555. By 2006, the figure had grown to \$29,494. That's an increase of 59 percent.

Case closed? Not quite.

It turns out that those figures aren't adjusted for inflation. If you do adjust the 2006 figure for its value in 1995, per-capita income in the state would have increased to a more modest \$22,296. That would produce a 20 percent increase over 10 years, not 59 percent.

Granted, a 20 percent increase above inflation, even over 10 years, is a pretty good record -- but it's not as eye-catching as the 50 percent Huckabee cited in the video. Indeed, when you break it down, 39 percent of the income increase Huckabee referred to came from inflation -- something he neither had control over nor would he want to claim credit for even if he did.

Hogan Gidley, senior communications advisor to Huckabee, told PolitiFact, "We stand by the fact: The average family income increased by 50 percent. That's what's said in the ad because that's what happened."

There's another aspect of Huckabee's claim to look at: Is it reasonable for him to take credit for having "raised average family income by 50 percent"? Note that he didn't say he "helped raise" incomes; he said "raised." It's a high bar to prove that his actions are the primary reason for the increase.

Taking such a strong degree of credit is questionable since national and international economic conditions beyond the control of any one policymaker can have major impacts on a state's economy, said George Washington University economist Tara Sinclair. Generally speaking, Sinclair said, "governors cannot claim much of the credit for income increases on their watch."

One factor to look at is whether incomes in Arkansas rose faster than incomes nationally. And the answer is: They didn't. Over the same period of time, incomes nationally rose by 62 percent without accounting for inflation, a few percentage points higher than the 59 percent under Huckabee in Arkansas.

We'll also note that in the ad, Huckabee touts his record of cutting taxes and balancing the budget, yet advocates of free-market economics have generally been cool toward Huckabee's record on taxes and spending as governor.

Every two years, the libertarian Cato Institute rates each governor on their adherence to low-tax, low-spending principles. Huckabee's grade from Cato was initially a B, but with every biennial report his grade never improved, moving to C, C, D and finally to F. Cato cited increases on his watch in sales taxes, a 3 percent income-tax surcharge and a 25-cent cigarette tax increase. (Earlier in his term, it noted, Huckabee did implement a \$70 million tax cut package and a bill to cut the state's capital gains tax.)

As for balancing the budget, state law <u>requires</u> the governor to submit a balanced budget and for the legislature to pass one.

"I am hard-pressed to recall any specific policy initiatives that can clearly be credited with raising incomes," said Hal Bass, a political scientist at Ouachita Baptist University in Arkadelphia, Ark. "He was governor during a time of general national economic expansion, so I think there was a rising tide effect in place."

To the extent that Huckabee's policies may have aided incomes in the state, Bass added, it may have stemmed from his initiatives on health and education. For instance, Huckabee implemented the ARKids health insurance program, which leveraged federal and tobacco-settlement funds to expand health insurance to for low-income children, something that may have "kept poor families from being overwhelmed by medical expenses," Bass said.

Our ruling

Huckabee said he "raised average family income by 50 percent" during his tenure as Arkansas governor.

Once you account for inflation, Huckabee is incorrect. Income in Arkansas increased 20 percent, not 50 percent. That increase trailed nationwide trends.

The statement contains an element of truth but ignores critical facts that would give a different impression, so we rate it Mostly False.