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Texas-size share of U.S. job growth varies with count

BYLINE: W. Gardner Selby AMERICAN-STATESMAN STAFF

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In an unannounced June 14 appearance on the Fox News Channel, Gov. Rick Perry strolled through another celebration of the state's economy.

His 35-second cameo shows host Glenn Beck and Perry, who is not introduced, walking from a chalkboard past the camera as Beck asks, "How many jobs did you create, percentage, during the recession?" Perry replies: "Since June 2009, about 48 percent of all the jobs created in America were in Texas. Come add to it."

"Thank you, would love to," says Beck, whose show is leaving Fox.

We recognize that job-gain boasts can overreach. An example: Perry's January 2009 claim that about 70 percent of the jobs created in the United States from November 2007 to November 2008 were in Texas. We rated that False because it was based on statistics only from the 14 states in which job gains outnumbered job losses and disregarded any jobs created in the other 36 states.

Per the governor's recent claim, his office and the Texas Workforce Commission each attributed the 48 percent figure to research touted by the Dallas branch of the Federal Reserve. The Fed compared the number of jobs in Texas and the nation in April 2011 with the number of jobs in June 2009, the month marked by the National Bureau of Economic Research as the end of the recession that started in December 2007.

A Workforce Commission spokesman forwarded a

June 14 email from Jerrod Vaughan, an assistant to Richard Fisher, president and CEO of the Dallas Fed, elaborating on Fisher's comments to The Wall Street Journal that Texas accounted for 37 percent of postrecession net job gains nationally, by one calculation, or 45 percent by another.

Vaughan's email says that when the Dallas Fed compared its internally adjusted Texas employment totals with national survey employment figures, the Texas share of the whole was 47.8 percent - hence the figure Perry gave Beck.

Pia Orrenius, a senior economist at the Dallas Fed, told us the national job figures were drawn from the federal government's national payroll surveys.

Then again, Orrenius suggested the Texas economy has been roaring since 1990. "Long before , Rick Perry" became governor, she said, "we were talking about the great Texas economy. There are so many exciting things about the Texas economy that precede any political flavor of the month." She listed as favorable factors the state's variety of natural resources, its energy and high-tech sectors, its booming Gulf ports and its surging trade with Mexico and China.

Experts we contacted agreed Texas has enjoyed phenomenal job growth, though they emphasized that there are various ways to arrive at the state's share of the nation's rebound.

Cheryl Abbot, a Dallas-based economist at the U.S. Bureau of Labor Statistics, said she prefers to judge "recoveries thus far" by comparing specific state or U.S. current employment levels with their peak employment prior to the recession. Texas, she said, has nearly recovered all the jobs lost in the recession. Its nearly 10.6 million jobs as of April ran 0.9 percent below its August 2008 peak employment level of more than 10.6 million jobs. In contrast, Abbot said, the U.S. employment of 131 million in May 2011 fell 5 percent below the peak U.S. employment of nearly 138 million in January 2008.

Chris Edwards, director of tax policy for the Libertarian-leaning Cato Institute, called the Fed's comparison fair but said he's skeptical every time a leader touts economic gains when it's unclear how they stoked the gains. "Reporters should ask the governor specifically what policies he put in place to create the much better employment growth," Edward said, adding that he sees as a negative move the changes in business taxation Perry signed into law in 2006 to help cover cuts in school property taxes.

Likewise, Bob Lerman, a fellow in labor and social policy at the Urban Institute in Washington saw no flaw in the Fed's calculation.

But at the liberal-leaning Economic Policy Institute, researcher Kathryn Edwards called Perry's statement misleading because the Fed's research reflects only the 31 states with net job gains over the postrecession period.

Jobs were created in the other states, Edwards pointed out, though more jobs were lost. It would be accurate, she said, to say Texas accounted for 27 percent of jobs gained in states with net job gains.

For the same reason, Lee McPheters, an economist at Arizona State University, called the Fed's statistical comparison misleading.

McPheters wondered too why the cited comparison starts in June 2009 when the actual national low point in terms of employment was February 2010, because employment keeps falling after a recession ends. Applying the Fed's methodology to the later time

frame, Texas accounted for only 18 percent of the jobs created from February 2010 into April 2011, he said.

Finally, we consulted Bernard Weinstein, an economist at Southern Methodist University familiar with the state's economic ups and downs.

"One can quibble over the numbers as well as the methodologies and time frames used to calculate Texas' job gains," Weinstein said by email. The big picture, he said, is that Texas has fared better than other big states since the recession and indeed over the past 20 years, for reasons including, he said, "enlightened" leadership, demographics and the resurgent energy sector.

Our take: The strength of the Texas economy, compared with many other states, isn't in dispute. However, there are many ways to slice and dice employment statistics. The calculations behind the 48 percent boast may cover a less meaningful time frame while not weighing any jobs created in states with net job losses.

Mark Perry's statement Half True.