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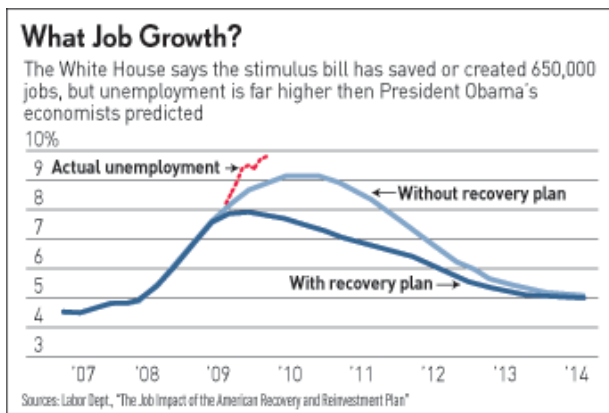
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POLITICS

W. House: Stimulus Lifted Employment Despite Job Losses

By SEAN HIGGINS, INVESTOR'S BUSINESS DAILY

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The jobs figure is based on data submitted by stimulus grant and loan recipients and government contractors. Most jobs saved or created were via grants. This reporting has been shown to be faulty in the past.

The stimulus bill — the American Recovery and Reinvestment Act — was passed in February. All House Republicans and all but three Senate Republicans opposed it.

Back In The Real Economy

The administration's claims come in the face of continued heavy job losses — 2.7 million since President Obama signed the stimulus into law. Unemployment has climbed to 9.8%, a 26-year high. That's well above what his economists predicted would happen if the stimulus bill wasn't enacted.

Critics such as Tad DeHaven, budget policy analyst for the free market Cato Institute, say the administration figures are suspect since most of the reporting is by recipients who want to please their donors. "The numbers are a concoction of the deceptive and the erroneous," DeHaven said.

Michael Leachman, senior policy analyst for the liberal Center on Budget and Policy Priorities, says counting jobs saved is an inexact science, but the spending lets employers retain people who would otherwise have lost their jobs.

"That kind of thing is happening every day across America, but most of it is not reflected in today's release," Leachman said.

Obama originally said 90% of the stimulus' job growth would be in the private sector. But the White House said Friday that most of the directly saved or created jobs were tied to education or public construction projects.

Even government payrolls have fallen by 144,000 since February.

The White House has been eager to tout that the stimulus bill has had an impact. The weak economy has dragged down poll ratings for Obama and Congress.



"The Recovery Act is performing as advertised, playing its part in lifting Americans back up," said Vice President Joe Biden, who spoke Friday about...[View Enlarged Image](#)

The release of the "saved" jobs data comes just before Tuesday's gubernatorial elections in Virginia and New Jersey. GOP wins could scare moderate Democrats away from the administration's agenda.

The administration says the jobs figure came after \$340 billion of the stimulus was spent. The money went to infrastructure projects, loans to states, jobless benefits, small-business loans and tax cuts.

"We are solidly on track to meet our goal of 3.5 million jobs saved or created by the end of next year," Bernstein said.

The data the administration uses have been questioned before. Last week, the Associated Press released a study of an earlier claim that the stimulus created or saved 30,000 jobs.

The AP, surveying a sampling of reported job gains, found one in six jobs were inflated. Often they were counted twice or temp jobs counted as permanent.

The White House called the AP report "misleading," but conceded some earlier data were flawed.

Republicans scoffed at the administration's claims.

"Americans, particularly those with friends and family out of work, know that the administration's claims of stimulus success and jobs 'saved' or created are not serious," said House GOP Whip Eric Cantor, R-Va., in a release.

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