

Making Job Creation a Priority

Lincoln Mitchell, Harriman Institute, Columbia University

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The White House job summit came and went, and seemed somewhat overshadowed by the Afghanistan speech, the climate change conference in Copenhagen, President Obama's Nobel Peace Prize acceptance speech and even the White House party crashers. The result of the summit was a proposal for a battery of necessary and unsurprising, but probably not sufficient, recommendations. These recommendations were then followed by [news reports that the latest job numbers are worse than expected](#).

Putting the more than fifteen million unemployed Americans back to work in the midst of an ongoing recession is not an easy task, so faulting the administration for not coming up with a brilliant and politically achievable plan for doing this is a little unfair. Nonetheless, the administration's position on jobs has at times suggested an unexpectedly poor understanding of the impact of the economic downturn on ordinary Americans.

The timing of the jobs summit itself reflected this as well. It is not clear why Obama waited ten months into his term to address this issue in a high profile way. The unemployment rate when Obama took office in January was, while not as high as the current 10%, still quite high at 7.2%; and more layoffs and business closings were not exactly unforeseen at that time.

The Obama administration, however, did seek to address unemployment early in their term through the stimulus bill which was passed in February. Interestingly, although the bill allocated resources for projects that would have, and almost certainly did, create some jobs, the administration allowed the legislation to be spun and described as primarily aimed at the financial crisis, not the unemployment crisis. Thus, Obama was perceived as having not made job creation as high a priority as bailing out the financial sector. Obama did little between February and November to change that perception. By late summer it was not uncommon to hear talk about the economic recovery, but this occurred as unemployment numbers continued to get worse. Some [economists spoke of a "jobless recovery"](#), which soon became the consensus interpretation of economic trends.

A jobless recovery is, of course, not a recovery at all. For most ordinary people losing a job is a devastating financial blow that for which a recovering stock market is very cold comfort. Linking the two words jobless and recovery suggests an understanding of the economy in which as long as the markets are coming back, massive, and rising, unemployment is not a big problem. If you commissioned an advertising firm to come up with a two word description of the economy that would provoke great feelings of anger and resentment, they would have a tough time coming up with something better than "jobless recovery," yet this is the phrase which became relatively broadly used a description of Obama's economy.

For most Americans, the job security issues have been central to their experience of the recession. Millions have indeed lost their jobs, but most of those who have not lost their jobs have either

been worried about losing their jobs or been working extra hard, often without additional compensation, to increase their chances of keeping their jobs. Declining investment and retirement portfolios as well as home foreclosures have been the other two parts to what Obama's predecessor might have called the economic trifecta, but jobs have been a front and center concern.

Putting Americans back to work was indeed one of the early promises made by the Obama administration, but as the first months went by this seemed to become less of a priority. This was partially due to the rancorous debate over health care that has dominated domestic politics for several months, but the lack of perceived emphasis on jobs by the administration cannot be explained away quite so easily. Allowing the term jobless recovery to be used so frequently, speaking of a recovery when unemployment was only getting worse and sandwiching a jobs summit between other events in December also helped send this message.

There is very little in Obama's background to suggest that he does not care about jobs. From his work as a community organizer to his work as a legislator and his public statements as a candidate president, it is clear that Obama understands how serious the problem of unemployment is. Moreover, the economic stimulus bill and the current proposals on job growth will create some, but not enough, jobs. Even the proposed health care reform bill, which would help small businesses control health care costs, will help reduce unemployment.

Obama can combat this perception but only if he visibly and concretely makes jobs a clear priority. The jobs summit must not be a one off event so that a box can be checked but should be part of very public and sincere effort by the White House to refocus their energy on job creation. Obama may not be successful in creating jobs right away as his ability to influence the economy is often not that significant, but if he is not seen as sufficiently concerned about jobs, his support will inevitably and sharply decline and his presidency will ultimately become less relevant.