

**Congress of the United States**  
**Washington, DC 20515**

November 24, 2009

The Vice President  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear Mr. Vice President:

The problematic metric of jobs “created or saved” by the stimulus touted by the Administration has become a distraction from efforts to address the massive unemployment problem facing our country. Following documented gross inaccuracies and confusion associated with the counting of job claims, we ask that the Administration cease public use of the inaccurate jobs “created or saved” metric and instead focus efforts on lowering the unemployment rate as reported by the Bureau of Labor Statistics.

On November 13, Ranking Member Darrell Issa of the House Oversight and Government Reform Committee sent a letter to Earl Devaney, the Chairman of the Recovery Act Transparency and Accountability Board, asking if he could certify as “accurate and auditable” the job creation and retention claims made by the Obama Administration for the American Recovery and Reinvestment Act (the “stimulus”).<sup>1</sup> Chairman Devaney responded, both in writing and at a hearing of the House Oversight and Government Reform Committee, that he could not.<sup>2</sup>

The inaccuracy of the job creation and retention claims posted on the Administration’s website, [www.recovery.gov](http://www.recovery.gov), has not prevented Administration officials from touting this misleading and inaccurate number as evidence that the President’s stimulus spending package is succeeding even as the unemployment rate continues to rise. The reality is that the metric of jobs “created or saved” was invented by politicians, not economists – it cannot be verified as accurate.

When attempting to sell the stimulus spending program, President Obama’s advisors claimed it would keep unemployment below 8%.<sup>3</sup> However, according to the Bureau of Labor Statistics, 15.7 million Americans – 10.2% of the workforce – are currently unemployed.<sup>4</sup> Over four million Americans have thus lost their jobs since the beginning of January, the month President Obama was inaugurated, when unemployment stood at 7.6%.<sup>5</sup> It is time to recognize that the stimulus is stimulating very little except

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<sup>1</sup> See Honorable Darrell Issa, letter to Honorable Earl Devaney (November 13, 2009).

<sup>2</sup> See Honorable Earl Devaney, letter to Honorable Darrell Issa (November 17, 2009). See also House Committee on Oversight and Government Reform, hearing (November 19, 2009).

<sup>3</sup> See Christina Romer and Jared Bernstein, “The Job Impact of the American Recovery and Reinvestment Plan,” (January 9, 2009).

<sup>4</sup> See Bureau of Labor Statistics, U.S. Department of Labor.

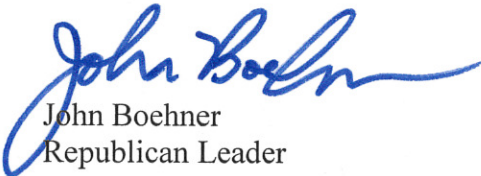
<sup>5</sup> *Id.*

government. Unemployment in the Washington, DC region is barely 6%.<sup>6</sup> It is time to face the fact that the stimulus was based on outdated and discredited economic theories that have allowed massive job losses to continue throughout the year.

President Obama described the current controversy over job creation and retention inaccuracies as a “side issue.”<sup>7</sup> We respectfully submit that the President is missing the point. In order to fund the stimulus, President Obama and Congressional Democrats had to borrow the money from the private sector, which is the part of the economy that actually creates jobs. For example, small businesses have created 64% of all net new jobs in the United States over the last 15 years and made up over 97% of all exporters.<sup>8</sup> Taking money out of the private economy trades private sector jobs for government-funded jobs. Thus, while the metric of jobs “created or saved” by the stimulus may provide a talking point for politicians, it does not address the fundamental problem of overall unemployment or the loss of jobs created by taking limited resources out of the hands of producers and giving them to government bureaucrats to spend on their pet projects.

As we understand the White House has planned a “Jobs Summit” for December 3, we ask that you respond to our request no later that December 1, 2009. If the Administration is ready to send a signal that it seeks credible and bipartisan solutions to fix the economy, discontinuing deceptive accounting tricks and returning to tried and tested metrics of measuring economic growth is a good place to begin. If you have any questions, please feel free to contact us.

Respectfully,



John Boehner  
Republican Leader



Darrell Issa  
Ranking Member  
Committee on Oversight and  
Government Reform

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<sup>6</sup> *Id.*

<sup>7</sup> See “Obama Calls Stimulus Data Errors ‘Side Issue,’ Says Focus Is on Job Growth,” (November 18, 2009), available at <http://www.foxnews.com/politics/2009/11/18/obama-calls-stimulus-data-errors-issue-says-focus-job-growth/>.

<sup>8</sup> See U.S. Small Business Administration, “Frequently Asked Questions,” available at <http://www.sba.gov/advo/stats/sbfaq.pdf>.