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# STIMULUS WATCH:

## *Where Are The Jobs? Where Is The Money? Why All The Pork?*

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### **WASHINGTON POST: DESPITE STIMULUS, UNEMPLOYMENT WILL REMAIN HIGH**

#### **Recovery's Missing Ingredient: New Jobs**

From *The Washington Post*

By Michael A. Fletcher

Monday, June 22, 2009

"Despite signs that the recession gripping the nation's economy may be easing, the unemployment rate is projected to continue rising for another year before topping out in double digits, a prospect that threatens to slow growth, increase poverty and further complicate the Obama administration's message of optimism about the economic outlook ...

"With many forecasters projecting unemployment to remain above 10 percent next year and not return to pre-recession levels of roughly 5 percent for years after that, Obama is likely to be confronted with defending the effectiveness of his economic policies as the nation endures its worst employment situation in a generation ...

"Before passage of the stimulus bill, the Obama administration had predicted that unemployment would peak at 8 percent before beginning to abate this fall. But unemployment has already reached 9.4 percent, the highest level in a quarter-century, and the situation is not projected to start improving until long after the White House had predicted. ...

"Obama tersely acknowledged in an interview with Bloomberg Television last week that unemployment is likely to peak above 10 percent. That prediction is in line with a growing number of respected economic forecasts, including those of private economists and the Congressional Budget Office, which projects that the unemployment rate will continue to rise into the second half of next year."

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### **LOS ANGELES TIMES: CITIES NOT SEEING STIMULUS FUNDS**

#### **Mayors Complain About Stimulus Spending**

From *The Los Angeles Times*

By Peter Nicholas

Monday, June 22, 2009

"President Obama is facing complaints from big-city mayors and county politicians that parts of the economic stimulus package are shortchanging their constituents.

"Vice President Joe Biden has been holding private conference calls on the stimulus with elected officials from around the country, some of whom have been telling him that metropolitan regions are losing out to rural areas in the competition for stimulus money.

"That argument tracks a report released by the U.S. Conference of Mayors that concluded that cities have gotten a disproportionately small share of stimulus money set aside for road and other transportation improvements.

"Harry Montoya, a commissioner in Santa Fe County, N.M., took part in a phone call with Biden earlier in the month and said he told the vice president that 'the dollars are not trickling down to the local county governments regarding spending for projects

that we have that are shovel-ready: road, water and wastewater projects' ...

"In an effort to jump-start the economy, the federal government relied on old formulas that left behind our metropolitan areas," said [Seattle Mayor Greg] Nickels, a Democrat. "That was a mistake."

"The mayors commissioned a report looking at a pot of \$18 billion set aside for transportation. When the report was released this month, the 85 most populous metropolitan areas had received \$8.8 billion -- or 48% of the total. Yet those same areas account for 63% of the U.S. population and 73% of the gross domestic product, the report said. ...

"The complaints come as surveys show that much of the public is skeptical about the stimulus package, which President Obama had made his top legislative priority when taking office this year ..."

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## **USA TODAY: STIMULUS FUNDS FAVOR LAWMAKERS' PORK PROJECTS OVER HARDEST HIT AREAS**

### **Funds Going To Districts Of Key Lawmakers**

From *USA Today*

By Matt Kelley

Monday, June 22, 2009

"Most of the \$2.2 billion in economic stimulus money for Army Corps of Engineers construction projects will be spent in the home districts of members of Congress who oversee the corps' funding, a USA TODAY analysis found.

"Two-thirds of the money will be spent in states or districts represented by members of the House and Senate appropriations subcommittees that direct how the Corps of Engineers spends its money, the analysis found. The corps is spending its stimulus money on construction projects in 43 states for building or fixing water and sewer lines, dams, reservoirs, levees and harbors.

"President Obama and Democratic leaders in Congress say the \$787 billion stimulus package didn't contain any money for projects requested by members of Congress. However, the stimulus law directs the corps to spend its extra funding on current projects — which were all selected by Congress in past spending bills.

"The states getting the most money — California, Mississippi, Illinois, Texas and Florida — all have lawmakers serving on the appropriations committees. The seven states getting no corps stimulus funding include Michigan, which has the nation's highest unemployment rate but no members on the energy and water spending panels in either chamber ...

"North Dakota, which has the nation's lowest unemployment rate, got \$47.7 million in corps construction spending, or nearly \$75 per resident. Sen. Byron Dorgan, D-N.D., heads the Senate Appropriations subcommittee that directs corps spending — a fact Dorgan prominently mentions in news releases touting the stimulus funding for his state."

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