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April 1, 2011

# Job Growth Alters Playbook for Obama and His Critics

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LANDOVER, Md.

**PRESIDENT OBAMA** has not had a lot of good news in a term defined by assorted crises. But on Friday he reported the “good news” about job growth in March to an appreciative audience at a **United Parcel Service** shipping facility here — and did so with a bit more of a celebratory air, and less caution, than in the past.

After 12 months of up-and-down job creation, the significant increase in March suggested that maybe, just maybe, the economy was gaining enough strength to grow and bring unemployment down substantially this year.

And as the unemployment rate ticked down, the hopes of Mr. Obama and his party ticked up: perhaps by the approaching election year they could claim vindication for the stimulus policies Democrats have enacted, or at least dodge the sort of blame that Republicans so effectively stuck them with last November in the midterm elections.

At the same time it has given Democrats new ammunition to argue that Republican efforts to cut spending could hurt the recovery just as it is gaining traction, and that forcing a government shutdown

could put more people out of work.

“You should know that keeping the economy going and making sure jobs are available is the first thing I think about when I wake up in the morning,” Mr. Obama said. “It’s the last thing I think about when I go to bed each night.”

No doubt. Few metrics are as critical to re-election as the employment rate. Even at 8.8 percent in March, the lowest level in two years, the jobless rate is still high in political as well as economic terms, and it is not expected to fall significantly before November 2012.

The administration does not project the rate dropping below 8 percent until 2013. It was 7.8 percent when Mr. Obama took office after the [recession](#) began, and rose to a peak of 10.1 percent in October 2009 as the economy shed about 700,000 jobs a month.

The White House and the Democratic Party are banking on voters focusing not on the unemployment rate, but on a trend of job growth. That assumes, of course, the trend continues.

“While today’s jobs numbers are headed in the right direction, most Americans believe the economy is still pretty seriously off-track, making the jobs issue still a challenging one for the president,” said Neil Newhouse, a Republican pollster. “Looming on the nation’s economic horizon is the after-effects of the Japanese tsunami and the Middle East unrest, hardly the kind of stable economic environment needed for significant U.S. job growth.”

The [United States Chamber of Commerce](#), in its statement noting the improved employment picture, emphasized caution given the global crises.

“The outlook for the international economy has worsened recently,” the chamber said. “If these problems were to spill over to the U.S. economy, causing growth to slow below its potential rate of growth of between 2.5-2.75 percent, they could upset the modest job gains we’ve seen thus far.”

A year ago, the effects of a [European debt crisis](#) set back the administration’s hopes that a full, self-

sustaining recovery was under way. Last fall, Republicans won elections on the argument that Keynesian-style economic stimulus measures had failed, and that it was time to try an austerity policy of big cuts in government spending.

On Friday, Republican leaders in Congress pressed that policy argument even as they welcomed the new jobs report.

“Washington needs to do more to end the uncertainty plaguing job creators,” [John A. Boehner](#), Republican of Ohio and the speaker of the House, said. “That means getting control of government spending, ending the threat of tax hikes, removing regulatory obstacles to job growth and approving stalled trade agreements that would open new markets for American exports.”

Since Republicans took control of the House in January, they have forced Democrats to agree to \$10 billion in cuts from current spending and are seeking roughly \$50 billion more. They will soon unveil plans for deeper cuts in 2012 and beyond.

Yet the potential for such deep cuts in domestic spending recently has caused a number of analysts at major corporations and economic forecasting firms to shave their projections of economic growth.

“This sign of jobs growth shows the president’s economic plan is starting to work,” said Senator [Charles E. Schumer](#), Democrat of New York. “We should stick with it, and quickly reach a budget deal to avert a government shutdown that would risk these fragile gains.”

Many voters are not persuaded that the president’s policies are working; in nonpartisan national polls, slight majorities have disapproved of his handling of the economy. Future monthly unemployment rates will be central to whether those numbers improve as he seeks another term.

“If the economy continues to improve over the next year, the fact is it will strengthen President Obama’s political position,” said Geoff Garin, a Democratic pollster. “And,” he added, “if the economy slows down in the next year, the Republicans put themselves in a position to take a good share of the blame for that, because now a good case could be made that the president had the jobs numbers

moving in the right direction until the Republicans pushed through their own fiscal policies.”

*Michael D. Shear contributed reporting.*



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