

PRINTER-FRIENDLY FORMAT  
SPONSORED BY



---

**December 3, 2009**

**Editorial**

## **The Job Summit**

To be a success, the White House job summit on Thursday must do more than put ideas on the table. It must produce an agenda for creating jobs.

Americans need to know how the administration plans to reduce a 10.2 percent unemployment rate — a 26-year high and rising. They need to know how the government will foster hiring and help replace the eight million jobs eliminated so far in two years of recession. Economic growth alone cannot repair damage that severe.

First, President Obama must change the terms of the debate. When he announced the job meeting last month, Mr. Obama said he was determined to meet the “great challenge” of unemployment. In the next breath, he tried to dampen expectations, warning of the “limits to what government can do and should do.” He said he was open to “responsible” and “demonstrably good” ideas to create jobs. It would be tragic if that pre-empts bold ones.

Mr. Obama’s mixed message in the teeth of a crisis seems intended to appease Republicans and conservative Democrats who argue that federal budget deficits preclude more aid to combat rising unemployment. The argument is wrong, and giving it credence puts politics ahead of Americans’ needs.

Mr. Obama must instead make the case that the immediate need for more federal help trumps

the longer-term need for deficit reduction; otherwise, the economy is in for a self-reinforcing stretch of joblessness that would cost more in the end than additional spending today. Mr. Obama should detail separate plans for taming the deficit — including ironclad commitments to pay for health care reform. What he must not do is continue to conflate the need for job creation with the need for deficit reduction to the detriment of jobs.

Once job creation has the priority status it deserves, the next step is to build on proven programs and add new ones to address the scale and nature of joblessness.

Unemployment benefits are crucial to preserving and creating jobs because they provide spending money that would otherwise be missing from the economy. A first order of business must be to extend the package of jobless benefits that passed in early 2009 and is scheduled to expire at the end of this year. Similarly, with state budgets in critical condition, another round of fiscal relief is needed. Such aid is funneled quickly to employees, beneficiaries and contractors and helps to stave off tax increases and spending cuts.

Beyond that, the government must tackle direct job creation. A \$10 billion program to build and renovate schools that was cut at the last minute from this year's stimulus bill should be resurrected. Passage of the transportation bill and the clean-water bill, currently before Congress, are also important for job creation because they provide financing for specific projects.

With unemployment among 16- to 24-year-olds at 19 percent, direct job creation must also provide entry-level and generally low-skilled jobs, such as repair and maintenance work at local, state and federal parks and other public venues. Pragmatism should guide whether money for the projects is funneled through local or state governments, nonprofits or federal agencies.

There are several suggestions for how to help pay for job projects, such as a financial transactions tax on Wall Street and redeploying money from the bank bailout to small business lending. An aim should be to identify financing sources that will phase in over time as the economy strengthens.

A successful summit will position Mr. Obama well to use the State of the Union address in January to focus on even larger public and private investments that will be necessary to develop the new industries and new technologies that will be the basis for good jobs at good pay.

[Copyright 2009 The New York Times Company](#)

[Privacy Policy](#)[Terms of Service](#)[Search](#)[Corrections](#)[RSS](#)[First Look](#)[Help](#)[Contact Us](#)[Work for Us](#)[Site Map](#)