The New York Times City Room

Blogging From the Five Boroughs

SEPTEMBER 10, 2012, 10:52 AM

Christie Talks of a Comeback, but Jobs Data May Say Otherwise

By MICHAEL POWELL

Gov. Chris Christie of New Jersey has caught a case of the cognitive dissonance blues.

For months he's thumped on about the New Jersey comeback and the jobs he's created. And we noisome critics keep pointing to the state's unemployment rate, which has remained stubbornly high. The state now ranks fourth in the nation in unemployment.

So the governor, fresh from his me-me-glorious-me keynote address at the Republican National Convention, has taken a new tack, implying that the unemployment rate is flawed and that critics should focus on job creation.

"I get so weary of the press's desire to keep writing negative stories," Mr. Christie said to New Jersey reporters the other day. "The numbers of jobs we create has nothing to do with the unemployment rate."

This is a familiar theme. New York City officials complain a lot of late that the city's 10 percent unemployment rate overstates its problems. Several experts believe they have a point - the Fiscal Policy Institute issued a report last week noting that the city's real unemployment rate is most likely closer to 9 percent than to the official 10 percent. (A 9 percent rate is still higher than that of the nation as a whole. And the Bronx, with about a 13 percent rate, is the hardest hit county in the state).

I asked James Parrott, chief economist for the Fiscal Policy Institute, if the same could be said of New Jersey. Is the Garden State perhaps in better shape than it looks?

Not really, he says.

Since the national recession began, he noted, New Jersey has a 4.5 percent net job loss while the United States's loss stands at 3.4 percent. New York State, by contrast, has gained 0.3 percent.

New Jersey too has lost more construction, finance, manufacturing and professional service jobs than the nation as a whole. And, more to the point, if there's a disconnect between job creation and state unemployment rates, it has occurred during the past two years.

During that time period, the United States and New York State experienced job gains of 2.5 percent and 2.8 percent respectively. But New Jersey's job gain during the same period stands at 1.1 percent.

"It is plausible," Mr. Parrott noted, "that New Jersey does really have a high unemployment rate."

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Governor Christie, too, may have added to his headaches. He tends to talk of public workers as so many anchors on the state's economy. Cut away enough of them, and the state economy eventually will set sail.

There's remarkably little evidence for his assertion. The Economic Policy Institute, a liberal policy center in Washington, D.C., last week noted that, nationwide, the public sector has cut 680,000 jobs in the past four years, which is akin to a starving man insisting on going on a diet.

Few Northeast governors embraced this less-is-more strategy with more gusto than Mr. Christie. Governments in New Jersey have cut jobs by 4.1 percent during the recession, compared with a 2-percent decline for the United States. (Not all of these are state cuts, of course. But Mr. Christie certainly rejected anything that looks like fiscal pump priming, as he declined billions of dollars in federal transportation money to build a new rail tunnel under the Hudson River, a project that would have created thousands of well-paid union jobs).

Finally, what about those private-sector jobs that the governor talks about so much? It's true that New Jersey has added jobs in 9 of the last 11 months. It's also true that federal data shows the majority of those jobs offer low wages, and come without benefits.

And private-sector job growth ground to a halt last month: New Jersey, The Record newspaper noted, lost 7,100 private-sector jobs and 4,900 public-sector jobs in July as the nation saw an increase of 163,000 jobs.

Mr. Christie rapped the New Jersey press corps, saying they were rooting for negativity. The record would indicate they were more likely looking at reality.

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