

Bad News/Good News on Jobs

Michael Sean Winters | Sep. 7, 2012 | Distinctly Catholic

The Department of Labor's monthly reports sometimes speak with all the clarity of the Delphic Oracle. The unemployment rate dropped last month, but the actual number of jobs added, 96,000, came in below expectations. And, the payroll company ADP said that some 200,000 jobs were added last month.

I will leave it to economists to examine why this data seems to be arguing with itself. But, I will say that President Obama and Governor Romney need to be careful in how they react. There are two more jobs reports coming out before the election, on only five days before the election. Both men are well advised not to make too much of such ambiguous data. The danger for Obama is that on the Friday before the election, the jobs report will be the thing that tips undecided voters to conclude it is time for a change, just as the weekend before the election in 1980 marked the one year anniversary of the hostage taking in Iran, which anniversary convinced undecided voters to oust incumbent Jimmy Carter. The danger for Mr. Romney is that good unemployment numbers will make it harder to make the case that the economy is not moving in the right direction. On top of all that, most of these monthly reports end up being revised in subsequent months.

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