



DPCC FACT SHEET: ECONOMISTS AGREE AMERICAN JOBS ACT WILL CREATE MILLIONS OF JOBS AND GROW OUR ECONOMY

Zandi: American Jobs Act Would Increase GDP By 2%, Create 1.9 Million Jobs in 2012.

According to Marc Zandi, chief economist of Moody's Analytics, "The plan would add 2 percentage points to GDP growth next year, add 1.9 million jobs, and cut the unemployment rate by a percentage point." [Moody's Analytics, [9/9/11](#)]

Macroeconomic Advisers: Americans Jobs Act Would Increase GDP By 1.5%, Create 2.1 Million Jobs Over Two Years. Macroeconomic Advisers LLC estimated, "The various tax cuts aimed at raising workers' after-tax income and encouraging hiring and investing, combined with the spending increases aimed at maintaining state & local employment and funding infrastructure modernization, would: Boost the level of GDP by 1.3% by the end of 2012, and by 0.2% by the end of 2013; Raise nonfarm establishment employment by 1.3 million by the end of 2012 and 0.8 million by the end of 2013, relative to the baseline."

[Macroeconomic Advisers, [9/8/11](#)]

EPI: American Jobs Act Would Create 2.6 Million Jobs Over Two Years and Protect 1.6 Million Existing Jobs. John Irons of EPI wrote, "Overall the package would increase employment by about 4.3 million jobs over the next couple of years. The new initiatives would boost employment by about 2.6 million jobs, while the continuation of the two temporary provisions (EUI and the payroll tax holiday) would prevent a backslide of over 1.6 million jobs." EPI calculates that the new initiatives would create more than 2.2 million jobs in 2012 alone, with an additional 360,000 in 2013. [EPI, [9/8/11](#)]

Goldman Sachs: American Jobs Act Would Increase GDP By 1.5%. Goldman Sachs reported, "The total cost of the plan has risen from the previously reported \$300 billion (2% of GDP) to \$447 billion (3% of GDP). At first glance it appears that, if enacted, around 75% (or roughly \$335 billion) of the fiscal effects of the proposal would show up in calendar 2012. We estimate that fiscal restraint under current law would total \$270 billion, or \$160 billion net of the extension of the payroll tax cut (to 4.2%) we already assume in our forecast. Thus, if enacted in its entirety, this proposal could shift the fiscal impulse in 2012 from -1.1% of GDP to +0.4% of GDP. However, it is not yet clear how congressional Republicans will respond to the proposal, and we are not changing any of our estimates at this time." [Wall Street Journal, [9/8/11](#)]

Capital Economics: American Jobs Act “It Would Certainly Have A Significant Impact On GDP Growth In 2012.” Paul Ashworth of Capital Economics wrote, “President Obama’s newly proposed \$450 billion job creation bill is equivalent to nearly 3% of GDP, so if it was passed by Congress as it stands it would certainly have a significant impact on GDP growth in 2012, which we currently expect to be only 2%. The big question, however, is whether an otherwise hopelessly split Congress can agree to pass any of the multitude of different measures the bill includes?” [Wall Street Journal, [9/8/11](#)]