



Written by [Brian Koenig](#) on March 9, 2012

D.C. Receives \$885M in Stimulus Money and Unemployment Rises

In fact, the city's overall employment outlook has degraded since the stimulus money was spent. According to the U.S. Bureau of Labor Statistics (BLS), the D.C. unemployment rate was 10.4 percent by the end of last year, better than only three states — Nevada (12.6 percent), California (11.1 percent), and Rhode Island (10.8 percent).



A [table](#) on the BLS website shows that the D.C. unemployment rate stood at 8.7 percent in February 2009, the month that Obama signed the stimulus into law. That number rose to 9.5 percent in May 2009, and ever since August 2009, D.C. unemployment has hovered above 10 percent. This steady rise in unemployment occurred while the district was spending historic levels of federal stimulus funding in the form of grants, loans, contracts, tax incentives, and entitlements.

In monitoring the impact on job growth that the stimulus funding has generated, the city administrator is responsible for filing quarterly reports to the government under the American Recovery and Reinvestment Act of 2009. Responding to a Freedom of Information Act appeal, Director of Public Affairs Tony Robinson provided the *Times* with eight quarterly reports, which disclosed the creation of around 9,500 jobs. The paper explained the findings:

Of those jobs, more than half — 5,961 — were created by the Office of the State Superintendent of Education, according to an analysis by *The Times*. But according to the office, which received approximately \$224 million in federal stimulus since 2009 through the end of last year, and which says it "created or retained" 7,007 jobs since the stimulus began, it's anyone's guess how many D.C. residents were hired.

"Each grant is unique, some lead to job creation more than others," asserted Vanessa Carlo-Miranda, who is tasked with managing the stimulus grants. "We can only require local hiring to the extent the federal government requires it, and generally the only requirement is to track the number of jobs created or saved."

"It's just not our mandate, even though we do a lot of training to ensure compliance with the reporting requirement," she added. "I'm sure there are people who collect such information in D.C., but I don't know who."

The lack of transparency is astounding, as most government departments are oblivious as to how these



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"stimulus" jobs are conceived, or whether they are even granted to D.C. residents. The D.C. Department of the Environment, for example, was awarded \$57 million in stimulus money and created 516 jobs, but officials have no information on who received these jobs. "We definitely did not collect data on D.C. residents," spokeswoman Donna Henry conceded. "There's also a lot of subcontractors involved."

Moreover, the D.C. Department of Transportation received more than \$123 million in federal stimulus money, and the agency estimates that it generated a little under 2,000 jobs — but again, the details are absent. "Local hiring requirements don't generally apply on federally funded programs," spokesman John Lisle said. "That doesn't mean we don't encourage local hiring whenever possible, but there's a difference between that and what we can require under the law."

Interestingly, while nearly a billion dollars in so-called economic stimulus has left D.C.'s steep unemployment rate unchanged, overall the city has become the wealthiest metro area in the country, as lucrative salaries and benefits are lavished upon federal workers. Their average compensation hovers around [\\$130,000](#) (including healthcare and other benefits), a staggeringly higher number than compensation and benefits of state and private-sector workers. As *The New American* [reported](#) last October, the D.C. area has surpassed San Jose, California, as the wealthiest metro in the nation:

While high unemployment persists and the U.S. economy remains stubbornly flat, Washington, D.C. now hails as the nation's wealthiest metropolitan area, according to new data from the Census Bureau. Dethroning Silicon Valley from its royal chair, the hometown of Congress and the White House is flourishing, as the median household income for Washington residents stood at \$84,523 in 2010, when the nation's average household income was \$50,046. The data show that San Jose, home of Apple and Cisco Systems, held an average income of \$83,944 in 2010, falling from \$84,483 in 2009, and now riding on the coattails of America's political stronghold.

It's a double-whammy for taxpayers: Hundreds of millions of taxpayer-funded dollars have been funneled out to the D.C. government — producing dismal employment results — and state and private-sector workers are paying federal employees tens of thousands of dollars more than they are earning themselves.



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