

Jan. 27 (Bloomberg) -- President [Barack Obama](#) said Republicans and Democrats should put politics aside to meet the urgent need for an economic stimulus, and he promised to address financial regulations and keeping the banking system stable.

"The statistics every day underscore the urgency of the economic situation," Obama said after meeting with House Republicans, and before a session with their Senate counterparts. "The key right now is to make sure that we keep politics to a minimum."

Obama made an unusual pilgrimage to the U.S. Capitol to talk with Republican lawmakers amid signs they are stepping up resistance to his economic stimulus plan over spending amounts and the size of tax cuts. Several Republican lawmakers said afterward that the president didn't overcome their objections to the legislation as drafted by House Democrats.

"While the president was genial, his proposal remains rooted in a liberal, big-government ideology that ignores history," said Representative [Tom Price](#), a Georgia Republican.

After finishing with both meetings, Obama said that "we are not going to get 100 percent agreement" on the stimulus proposal. "I hope I have communicated a sincere desire to get good ideas from everybody."

Job Losses

In pressing for speedy passage of the stimulus, the president has cited announcements by U.S. companies, including [Caterpillar Inc.](#) and [Home Depot Inc.](#), that they are cutting at least 77,000 jobs because of withering sales amid the recession. The nation lost 2.6 million jobs last year, and economists surveyed by Bloomberg News forecast the unemployment rate will rise to a 26-year high of 8.4 percent by the end of 2009.

"The problems our economy face are not going to go away easily," Obama said. "We have to deal with them swiftly and seriously and that's what my administration is committed to doing."

The president said the legislation is just one of the actions needed to pull the U.S. economy out of a recession. The nation also needs "much better" financial regulation and a way to deal with troubled assets still carried by banks to open up credit markets, he said.

The House is set to vote on the legislation tomorrow, and Democratic leaders have said they want to get it to Obama's desk by mid-February.

'First Step'

Virginia Representative [Eric Cantor](#), the second-ranking House Republican, said Obama repeated earlier statements that he has "no pride of authorship" with the legislation.

"We take that to mean that tomorrow's vote is only the first step in the process, only the beginning," Cantor said.

Other Republicans said they complained that House Democrats drafted the stimulus legislation without their input and that it relies too heavily on spending rather than tax cuts.

Republican Representative [David Dreier](#) of California said the president provided "a very nice, encouraging message" about focusing on what will work as a stimulus.

"Unfortunately, there has not been the kind of bipartisan cooperation that President Obama has encouraged and has personally sought," Dreier said.

Changes Promised

Senate Minority Leader [Mitch McConnell](#) of Kentucky said Republicans will try to amend the legislation when it moves through the Senate and "we think it will improve the measure."

Obama indicated he isn't supportive of adding more tax cuts, although he said he might back some additional corporate tax breaks if they are offset by closing other tax loopholes, said Representative [Scott Garrett](#), a New Jersey Republican. Garrett said Obama issued a "flat-out no" to the idea of additional income tax rate reductions.

The plan from House Democrats calls for \$275 billion in tax cuts, half of it to provide a \$500 payroll tax reduction to individuals and \$1,000 for families. That has been merged with \$358 billion in public-works spending along with another \$192 billion in mandatory spending increases.

The nonpartisan Congressional Budget Office tallied up the size of the legislation differently. A CBO report yesterday said the tax cuts amount to about \$212 billion and the spending totals \$604 billion. The entire package is \$816 billion according to the CBO, in contrast to the \$825 billion estimated by House Democrats.

Impact on Economy

In addition, the CBO projected that about 64 percent of the entire package would be pumped into the economy by the start of 2011, short of the Obama administration's commitment to have at least three-quarters of the stimulus taking effect by that time.

Republicans have pointed to the analysis by the CBO, which is responsible for providing an independent estimate of the cost of legislation, in arguing for more tax cuts in the plan.

Representative [Lee Terry](#), a Nebraska Republican, said Obama didn't change many

change minds on the stimulus measure and more Republican opposition is building in the House.

"I'm not sure he flipped any votes," Terry said, adding that Obama made clear he has "fundamental differences" with Republicans on some of their specific demands for more tax cuts.

White House press secretary [Robert Gibbs](#) said later there was "a genuine sense of cooperation" in the meetings. "We will have Republican support for this bill," he said.

The differences aside, Obama won praise for coming to the Capitol to meet with the opposition party just days after his inauguration.

Establishing 'Dialogue'

"The man's been president for one week, and he's already appearing before the Republican conference, and that's significant," said Representative [Don Manzullo](#), an Illinois Republican. "I'll probably still vote against the bill, because it doesn't reach manufacturing, but that doesn't mean there won't be another opportunity. He's established a dialogue."

To help his lobbying effort, Obama was accompanied to the Capitol by Transportation Secretary [Ray LaHood](#), a former Republican representative from Illinois who retired last year after serving seven terms.

His meetings today mark a rare visit by a president to the opposition party in both of their caucus rooms at the Capitol. His predecessor, former President [George W. Bush](#), met twice in eight years with House Democrats at retreats outside Washington as well as holding meetings with smaller groups of lawmakers at the White House.

