



Fact Check: Trump swipes progress from Obama era

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WASHINGTON>> In President Donald Trump's estimation, the good times began to roll for the country on the night he was elected. So he doesn't hesitate to swipe job growth from the twilight of the Obama administration and claim it as his own. That overreach, seen in his State of the Union speech and other forums, extends to his boast about the shrinking numbers of people on food stamps, where he's helped himself even more heartily to Obama-era progress. Likewise, a surge in energy production under President Barack Obama ended up on Trump's ledger of achievement.

Trump's speech to Congress made for a bountiful week of exaggeration, partial truth and outright error. Some highlights:

JOBS

TRUMP: "We have created 5.3 million new jobs and, importantly, added 600,000 new manufacturing jobs — something which almost everyone said was impossible to do." — State of the Union speech.

THE FACTS: That's not what he's done. He's measuring from Election Day in November 2016 rather than when he took office on Jan. 20, 2017.

Since January 2017, the U.S. has added 4.9 million jobs, not 5.3 million. Of them, 454,000 were in manufacturing, not 600,000, according to the Bureau of Labor Statistics.

Trump apparently reasons that employers and investors were so encouraged by his victory that they stepped up their hiring and investing right after the Nov. 8 election. But the economy simply does not turn on a dime like that, and Trump did not inherit a mess.

Here's what history will record: More jobs were created in Obama's last two years (5.1 million) than in Trump's first two years (4.9 million).

Growth in manufacturing employment began in Obama's second term, when 386,000 jobs were added, and accelerated under Trump.

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FOOD STAMPS

TRUMP: "Nearly 5 million Americans have been lifted off food stamps." — State of the Union address.

THE FACTS: The number of people receiving food stamps actually hasn't declined nearly that much since Trump took office or even since he was elected.

In January 2017, 42.7 million people were using food stamps. That declined to 38.6 million in September 2018, a drop of 4.1 million, not nearly 5 million.

Monthly comparisons don't mean much because the numbers go up and down over the short term. A more meaningful measure is how many people were using food stamps, on average, over the course of a year.

By that measure, the food stamp rolls declined by only 1.8 million in the 2017 and 2018 budget years. Even that period, which began in October 2016, includes a substantial drop that happened under Obama. Go back to October 2015, the start of the 2016 budget year, and the drop is 3.9 million.

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ENERGY

TRUMP: "We have unleashed a revolution in American energy — the United States is now the No. 1 producer of oil and natural gas in the world." — State of the Union address.

THE FACTS: That depends on what the definition of "we" is. His claim is true in the unlikely event he was also crediting Obama and other recent presidents who were aggressive about energy production. The government says the U.S. became the world's top natural gas producer in 2013, under the Obama administration.

The U.S. now leads the world in oil production, too, under Trump. That's largely because of a boom in production from shale oil, which also began under Obama.

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ECONOMY

TRUMP: "In just over two years since the election, we have launched an unprecedented economic boom — a boom that has rarely been seen before. There's been nothing like it. ... An economic miracle is taking place in the United States." — State of the Union address.

THE FACTS: The president is vastly exaggerating what has been a mild improvement in growth and hiring. The economy is healthy but not nearly one of the best in U.S. history.

The economy expanded at an annual rate of 3.8 percent last spring and summer, a solid pace. But it was just the fastest in four years. In the late 1990s, growth topped 4 percent for four straight years, a level it has not yet reached under Trump. In 1984, growth even reached 7.2 percent.

Almost all independent economists expect slower growth this year as the effect of the Trump administration's tax cuts fade, trade tensions and slower global growth hold back exports, and higher interest rates make it more expensive to borrow to buy cars and homes.

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TRUMP: "The U.S. economy is growing almost twice as fast today as when I took office." — State of the Union address.

THE FACTS: This may be true. We don't know the exact growth figure for 2018 because the 35-day partial government shutdown has delayed the release of fourth-quarter data. If it turns out to be roughly 3 percent as expected, that would be close to double the 1.6 percent growth of 2016, a slow year surrounded by better ones. Growth in 2015 was 2.9 percent, for example.

HEALTH CARE

TRUMP: "The next major priority for me, and for all of us, should be to lower the cost of health care and prescription drugs, and to protect patients with pre-existing conditions." — State of the Union address.

THE FACTS: His rhetoric is at odds with his actions when it comes to protecting people with pre-existing medical conditions. In reality, his administration is seeking in a lawsuit to eliminate such coverage. His Justice Department is arguing in court that those protections in the Obama-era health law should fall. The short-term health plans Trump often promotes as a bargain alternative offer no guarantee of covering pre-existing conditions.

Government lawyers said in legal filings last June that they will no longer defend key parts of the Affordable Care Act, including provisions that guarantee access to health insurance regardless of any medical conditions. Then-Attorney General Jeff Sessions wrote in a letter to Congress that Trump approved the legal strategy.

A federal judge in Texas in December ruled the entire Obama-era law, including coverage for pre-existing conditions, was unconstitutional because Congress repealed its fines on uninsured people. The suit has moved to the 5th U.S. Circuit Court of Appeals in New Orleans. In the meantime, the law's provisions remain in effect. Trump has hailed the initial court ruling as "great" and predicted that it would go to the Supreme Court and be upheld.

Obama's health care law requires insurers to take all applicants, regardless of medical history, and patients with health problems pay the same standard premiums as healthy ones. Bills supported in 2017 by Trump and congressional Republicans to repeal the law could have pushed up costs for people with pre-existing conditions.

IMMIGRANTS-JOBS

TRUMP: "Working-class Americans are left to pay the price for mass illegal migration: reduced jobs ..." — State of the Union address.

THE FACTS: Employment data suggest that the influx of immigrants helps increase overall hiring for the U.S. economy rather than erode job growth. The trend is clear in the government's monthly jobs report. The statistics don't distinguish between immigrants who are in the U.S. legally and illegally.

Nearly 64 percent of immigrants hold jobs, compared with roughly 60 percent of workers born in the United States, according to the Labor Department. Last year, immigrants accounted for roughly 40 percent of the 2.4 million jobs added.

Because a steady growth in the workforce helps the economy expand, economists say fewer immigrants would equal slower growth and fewer jobs. Falling birth rates and the retirement of the vast generation of baby boomers mean fewer people will flow into the workforce in the coming years — a drag on economic growth, which will, in turn, probably limit hiring.

Many economists have noted that adding immigrants would help maintain the flow of workers into the economy and support growth.

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IMMIGRANTS-WAGES

TRUMP: "Working-class Americans are left to pay the price for mass illegal migration: ... lower wages" — State of the Union address.

THE FACTS: The weight of research suggests that immigrants have not suppressed wages.

David Card, an economist at the University of California, Berkeley first studied the issue in 1990 by reviewing the arrival of Cuban migrants in Miami during the 1980 "Mariel boat lift." This historical rush of immigrants created a natural experiment to measure what then happened to incomes in the local area. He concluded: "The influx appears to have had virtually no effect on the wages or unemployment rates of less-skilled workers."

Giovanni Peri, an economist at the University of California, Davis studied immigration into California between 1960 and 2005. He wrote in a 2010 paper that it had "essentially" no effect on wages or employment of native-born workers.

But many people seeking to reduce immigration rely on research from George Borjas, a Harvard economist. His research found that the arrival of Cubans in the Mariel boat lift caused wages to fall for native-born high school dropouts in Miami. Other economists have questioned his methodology.

In addition, Borjas' findings would apply to a small fraction of U.S. jobholders today, only about 6.2 percent of whom lack a high school degree.

Other explanations for sluggish wage growth go beyond immigration. They include the decline in unionization, an intensified push to maximize corporate profits, growing health insurance costs that supplant wages and the rise of a lower-wage global labor force that in an intertwined worldwide economy can hinder pay growth for Americans.

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LABOR FORCE

TRUMP: "All Americans can be proud that we have more women in the workforce than ever before." — State of the Union address.

TRUMP: "More people are working now than at any time in the history of our country. One hundred fifty-seven million people at work."

THE FACTS: Yes, but that's because the population has grown. It's more than doubled since 1950 and, in recent months, it's been increasing by 150,000 to nearly 200,000 per month.

Births are the primary driver of population growth, with immigration also contributing. In 2030, that's expected to change, with immigration overtaking the natural increase from births exceeding deaths.

As for women, the big question is whether greater percentages of them are working or searching for a job than at any point in history. And on this count, women have enjoyed better times.

Women's labor force participation rate right now is 57.5 percent, according to the Labor Department. The rate has ticked up recently, but it was higher in 2012 and peaked in 2000 at roughly 60 percent.

Overall, 63.2 percent of Americans are working or looking for work. That's a few ticks higher than when Trump was inaugurated, when it was 62.9 percent, but far below the 2000 peak of 67.3 percent. The rate has declined partly because of aging, as a wave of baby boomers retire, but even among younger workers it's below where it was nearly two decades ago.

BORDER-EL PASO

TRUMP: "The border city of El Paso, Texas, used to have extremely high rates of violent crime, one of the highest in the entire country and considered one of our nation's most dangerous cities. Now, immediately upon its building, with a powerful barrier in place, El Paso is one of the safest cities in our country. Simply put, walls work and walls save lives." — State of the Union address.

THE FACTS: That's a distorted picture of El Paso, where Trump is going Monday to showcase his push for a border wall.

El Paso has never been considered one of the nation's most dangerous cities. In fact, its murder rate was less than half the national average in 2005, the year before the start of its border fence. The city has experienced ebbs and flows in violent crime but they have largely mirrored national trends and been under national averages for decades.

BORDER SECURITY

TRUMP: "The lawless state of our southern border is a threat to the safety and security and financial well-being of all America." — State of the Union address.

THE FACTS: Whether the border is sufficiently secure or not cuts to the core of a heated national debate, but it's far from lawless. The number of people arrested for crossing illegally has plunged in the past decade and is near its lowest level since the mid-1990s, illustrating a substantial downward trend in the number of migrants trying to sneak in. Border Patrol personnel, detection technology and physical barriers have increased in that time.

LEGAL IMMIGRATION

TRUMP: "I want people to come into our country in the largest numbers ever but they have to come in legally." — State of the Union address.

THE FACTS: His policy recommendations to date do not reflect this wish.

The plan he proposed upon taking office would have sharply limited the ability of citizens and permanent residents to bring in family, which he derisively called "chain migration." The Cato Institute, which favors more open immigration policies, estimated his plan would cut the number of legal immigrants by up to 44 percent, the largest cut to legal immigration since the 1920s.

According to data from the Homeland Security Department, about 750,000 of more than 1.1 million people who obtained green cards in 2017 — or two-thirds — did so through family relations. Trump's plan called for limiting family-based green cards to spouses and minor children of U.S. citizens and green card holders, a dramatic cut. He's also slashed the number of refugees the U.S. will accept for two straight years and he wants to eliminate diversity visas.

He's talked about switching to merit-based, instead of family-based, immigration and said at times that he wants to make it easier for temporary workers to work and graduates from top colleges to stay in the country. But researchers have said the net effect of his proposals would be fewer legal immigrants.

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MIDDLE EAST WARS

TRUMP: "Our brave troops have now been fighting in the Middle East for almost 19 years." — State of the Union address.

THE FACTS: Trump exaggerated the length of the wars in Iraq and Afghanistan. The war in Afghanistan began in October 2001, in the aftermath of the Sept. 11 attacks. The invasion of Iraq was in March 2003. The U.S. has been at war for a bit more than 17 years.

Also, he refers to fighting in the Middle East. Iraq is in the Middle East, but Afghanistan is in Central Asia.

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STACEY ABRAMS-ECONOMY

ABRAMS, former candidate for Georgia governor, in the Democratic response to Trump's speech: "The Republican tax bill rigged the system against working people. Rather than bringing back jobs, plants are closing, layoffs are looming and wages struggle to keep pace with the actual cost of living.

THE FACTS: The economy is doing better after the introduction of the Trump administration's tax cuts than Abrams suggests. The number of people seeking unemployment benefits, a proxy for layoffs, briefly fell to a five-decade low last month. And average hourly pay is running ahead of inflation.

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TARIFFS

TRUMP: "We recently imposed tariffs on \$250 billion of Chinese goods — and now our treasury is receiving billions of dollars." — State of the Union address.

THE FACTS: This is misleading. Yes, money from tariffs is going into the federal treasury, but it's largely coming from U.S. businesses and consumers. It's not foreign countries that are paying these import taxes by cutting a check to the government.

His reference to money coming into the treasury "now" belies the fact that tariffs go back to the founding of the country. This revenue did not start with his increased tariffs on some goods from China.

Tariffs did produce \$41.3 billion in tax revenues in the last budget year, according to the Treasury Department. But that is a small fraction of a federal budget that exceeds \$4.1 trillion.

The tariffs paid by U.S. companies also tend to result in higher prices for consumers, which is what happened for washing machines after the Trump administration imposed import taxes.

TRADE-NAFTA

TRUMP: "Our new U.S.-Mexico-Canada Agreement — or USMCA — will replace NAFTA and deliver for American workers: bringing back our manufacturing jobs, expanding American agriculture, protecting intellectual property, and ensuring that more cars are proudly stamped with the four beautiful words: MADE IN THE USA." — State of the Union address.

THE FACTS: It's unlikely to do all those things because the new agreement largely preserves the structure and substance of NAFTA. In addition, the deal has not been ratified and its chances in Congress are uncertain.

In one new feature, the deal requires that 40 percent of cars' contents eventually be made in countries that pay autoworkers at least \$16 an hour — that is, in the United States, or Canada, but not in Mexico. It also requires Mexico to pursue an overhaul of labor law to encourage independent unions that will bargain for higher wages and better working conditions for Mexicans.

Still, just before the agreement was signed, General Motors announced that it would lay off 14,000 workers and close five plants in the United States and Canada.

Philip Levy, senior fellow at the Chicago Council on Global Affairs and a trade official in Republican President George W. Bush's White House, says: "President Trump has seriously overhyped this agreement."

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DRUG PRICING

TRUMP: "Already, as a result of my administration's efforts, in 2018 drug prices experienced their single largest decline in 46 years." — State of the Union address.

THE FACTS: Trump is selectively citing statistics to exaggerate what seems to be a slowdown in prices. A broader look at the data shows that drug prices are still rising, but more moderately. Some independent experts say criticism from Trump and congressional Democrats may be causing pharmaceutical companies to show restraint.

The Consumer Price Index for prescription drugs shows a 0.6 percent reduction in prices in December 2018 when compared with December 2017, the biggest drop in nearly 50 years. The government index tracks a set of medications including brand drugs and generics.

However, that same index showed a 1.6 percent increase when comparing the full 12 months of 2018 with the entire previous year.

"The annualized number gives you a better picture," said economist Paul Hughes-Cromwick of Altarum, a nonprofit research organization. "It could be that something quirky happened in December."

Separately, an analysis of brand-name drug prices by The Associated Press shows there were 2,712 price increases in the first half of this January, as compared with 3,327 increases during the same period last year.

The size of this year's increases was not as pronounced. Both this year and last, the number of price cuts was minuscule. The information for the analysis was provided by the health data firm Elsevier.

WAGES

TRUMP: "Wages are rising at the fastest pace in decades, and growing for blue collar workers, who I promised to fight for, they're growing faster than anyone else thought possible." — State of the Union address.

THE FACTS: This is an unsupported statement because the data on hourly wages for private workers only go back to 2006, not decades.

But data on wages for production workers date back to 1939 — and Trump's claim appears to be unfounded.

Average hourly earnings for production and nonsupervisory workers are up 3.4 percent over the past year, according to the Labor Department. Those wage gains were higher as recently as early 2009. And they were averaging roughly 4 percent before the start of the Great Recession in late 2007.

There are other ways to track wage gains — and those don't work in Trump's favor, either.

Adjusted for inflation, median weekly wages rose just 0.6 percent in 2018. The gains in weekly wages were 2.1 percent in 2015.

ABRAMS-MIGRANT CHILDREN

ABRAMS, in the Democratic response: "We know bipartisanship could craft a 21st century immigration plan but this administration chooses to cage children and tear families apart."

THE FACTS: The cages that Abrams mentions are actually chain-link fences and the Obama administration used them, too.

Children are held behind them, inside holding Border Patrol facilities, under the Trump administration. As well, Obama's administration detained large numbers of unaccompanied children inside chain link fences in 2014. Images that circulated online of children in cages during the height of Trump's family separations controversy were actually from 2014 when Obama was in office.

Children are placed in such areas by age and sex for safety reasons and are held for up to 72 hours by the Border Patrol.

The Department of Homeland Security's inspector general visited five detention facilities for unaccompanied children on the Texas border with Mexico in late June, during the height of the furor over family separations, and found they appeared to comply with detention standards. The government watchdog reported that cleanliness was inconsistent but that the children had access to toilets, food, drinks, clean bedding and hygiene items.

At the height of the family separations, about 2,400 children were separated. Since then, 118 children were separated. Immigration officials are allowed to take a child from a parent in certain cases — serious criminal charges against a parent, concerns over the health and welfare of a child or medical concerns.

That policy has long been in place and is separate from the now-suspended zero-tolerance Trump administration policy that saw children separated from parents only because they had crossed illegally.

MINORITY UNEMPLOYMENT

TRUMP: "African-American, Hispanic-American and Asian-American unemployment have all reached their lowest levels ever recorded." — State of the Union address.

THE FACTS: What he's not saying is that the unemployment rates for all three groups have gone up since reaching record low levels.

Black unemployment reached a record low, 5.9 percent, in May, but rose to 6.8 percent in January.

Latino unemployment fell to 4.4 percent, its lowest ever, last October, and Asian unemployment fell to a record low of 2.2 percent in May. But Latino and Asian unemployment also have increased, in part because of the government shutdown, which elevated unemployment last month.

The African-American rate is still nearly double the jobless rate for whites, at 3.5 percent.

The most dramatic drop in black unemployment came under Obama, when it fell from a recession high of 16.8 percent in March 2010 to 7.8 percent in January 2017.

HUMAN TRAFFICKING

TRUMP: "Human traffickers and sex traffickers take advantage of the wide open areas between our ports of entry to smuggle thousands of young girls and women into the United States and to sell them into prostitution and modern-day slavery." — State of the Union address.

THE FACTS: His administration has not supplied evidence that women and girls are smuggled by the "thousands" across remote areas of the border for these purposes. What has been established is nearly 80 percent of international trafficking victims cross through legal ports of entry, a flow that would not be stopped by a border wall.

Trump distorts how often trafficking victims come from the southern border, according the Counter-Trafficking Data Collaborative, a global hub for trafficking statistics with data contributed by organizations from around the world.

The National Human Trafficking Hotline, a venture supported by federal money and operated by the anti-trafficking group Polaris, began tracking individual victim records in 2015. From January through June 31, 2018, it tracked 35,000 potential victims. Of those, there was a near equal distribution between foreigners on one hand and U.S. citizens and legal permanent residents on the other.

Most of the labor trafficking victims were foreign, and most of the sex trafficking victims were U.S. citizens. Of foreign nationals, Mexico had the most frequently trafficked.