

Trump speaks to Congress: CNN's Reality Check Team vets the claims

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The team of reporters, researchers and editors across CNN listened throughout the speech and analyzed key statements, rating them true, mostly true, true but misleading, or false.

Crime

Reality Check: Murder rate single-year increase

"The murder rate in 2015 experienced its largest single-year increase in nearly half a century," Trump said.

It's been a fact he's <u>struggled with</u> both as president and on the campaign trail. Trump repeatedly said in the past that the murder rate is the highest it's been in roughly 45 years, which is not accurate.

He got it right this time.

Reality Check quick takes

We rate his claim as **true**. The United States did experience its highest one-year increase in the murder rate in half a century between 2014 and 2015, according to FBI Uniform Crime Reports.

One reason for the huge jump is that the murder rate in 2014 was so low, at 4.5 murders per 100,000 people.

Still, even with the one-year increase, the murder rate for 2015 -- 4.9 per 100,000 people -- was lower than it was 45 years prior. In the 1990s, for example, the murder rate hovered between eight and 10 murders per 100,000 people.

Trump added there were more than 4,000 people shot last year in Chicago, which is also **true**. In fact, there were 4,331 shooting victims, according to the Chicago Police Department.

Pipelines

Reality Check: Trump on pipeline jobs

Trump asserted his administration's support of the Keystone XL and Dakota Access pipelines are "creating tens of thousands of jobs."

The remark wasn't the first time Trump touted the job-creating potential of the two controversial pipelines. Last month, when Trump signed an executive order paving the way for construction to move forward, he claimed Keystone XL alone would create 28,000 "great construction jobs."

But how accurate are his estimates?

A State Department report on the Keystone XL pipeline that was issued under the Obama administration found that there would be 3,900 direct construction jobs if it was built over one year, or 1,950 if the work was spread over two years -- far fewer than Trump estimated when signing the order.

But the report also estimated there would be a total of 42,000 indirect jobs created -- for companies that sell products and services used to build the pipeline.

However, once the pipeline opens, the State Department found it would only require 35 full-time permanent jobs to run it and 15 full-time temporary jobs.

Dakota Access, for its part, estimates their pipeline would add 8,000 to 12,000 construction jobs, but only about 40 permanent positions. Those are the company's internal estimates.

Moreover, most of the approximately 1,200-mile pipeline has already been built. The remaining portion is a 1.5-mile stretch that would cross under Lake Oahe, north of the Standing Rock Sioux Reservation.

Verdict: **True but misleading**. By some estimates, construction of the two pipelines will create just north of 10,000 construction jobs and tens of thousands of indirect jobs. However, these are primarily temporary jobs. The number of permanent jobs created directly by the pipelines would be far lower.

CNN's Rene Marsh and Chris Isidore contributed to this report.

Wall Street

Reality Check: Stock market's post-election rally

Trump cheered the enormous rally on Wall Street set off by his victory.

"The stock market has gained almost \$3 trillion in value since the election on November 8, a record," Trump said.

The stock market is indeed on fire these days, in large part because of optimism about Trump's pro-business promises to cut taxes, roll back regulation and ramp up infrastructure spending. The 30-stock Dow has soared 2,500 points, or 13.5%, since the election.

In terms of dollar figures, the American stock market has gained \$2.4 trillion since November 8, according to S&P Dow Jones Indices. That's based on a broad measure known as the S&P United States Broad Market Index. This gauge hit a new record this week of nearly \$25 trillion.

However, Trump took a little too much liberty with the stock market increase, so our verdict is **mostly true**.

Terrorism

Reality Check: Trump on terror attacks

"The vast majority of individuals convicted of terrorism and terrorism-related offenses since 9/11 came here from outside of our country," Trump said.

He cited Justice Department data. We asked the DOJ for the figures but they have yet to provide them.

By another measure, a 2016 report produced by then-Alabama Sen. Jeff Sessions, now Trump's attorney general, looks at individuals convicted in terror cases since 9/11. Using open sources, the report found that 380 out of 580 people convicted in terrorism and terrorism-related offenses since 9/11 were "foreign-born."

But according to an examination by the Cato Institute, the methodology of Sessions' report was flawed because 42% were not even for terrorism offenses -- many of them were simply terrorism-related tips that didn't pan out.

The New America Foundation <u>also looked</u> at trends over the last 15 years of who has carried out lethal terrorist attacks in the US. The data they examined showed it was not a "vast majority" from outside the country; it is, in fact, almost a 50-50 split. According to New America Foundation, about half were born in the US, and close to half were from abroad.

Verdict: False.

Lobbying ban

Reality Check: Trump on five-year ban on lobbying by Executive Branch officials

Trump boasted that he has already imposed "a five-year ban on lobbying by Executive Branch officials," fulfilling a campaign promise to "drain the swamp."

The reality is not that sweeping.

On January 28, 2017, Trump <u>signed an executive order</u> that restricts the future lobbying potential of all Trump appointees to Executive Branch offices. The order does indeed require appointees to sign a pledge that they will refrain from lobbying activities -- with the same <u>agency</u> where they were employed -- for five years following the end of their employment.

But the order does not ban lobbying across the board. Rather, according to the nonprofit Citizens for Responsibility and Ethics in Washington (CREW), the scope of this ban covers only a portion of the activities that lobbyists (and former executive branch officials) have been known to pursue. Specifically, former appointees may be allowed to engage in activities that the existing law -- the Lobbying Disclosure Act -- does define as lobbying when dealing with members of their former agencies.

The order also codifies the ultimate exception: a waiver capable of removing "any restrictions contained in the pledge signed by such person." According to CREW, under Trump's order, the need to disclose the granting of such a waiver is now "completely discretionary" and will not be granted by the Office of Management and Budget, but rather, by the {resident or his designee.

We rate this claim true but misleading.

Employment

Reality Check: Trump on 94 million people out of the job market

Trump cited a misleading statistic to cast the job market as weaker than it truly is.

"Tonight, as I outline the next steps we must take as a country, we must honestly acknowledge the circumstances we inherited. Ninety-four million Americans are out of the labor force," Trump said.

Here's the real deal on that stat: Actually, some 95.1 million people are not in the labor force, but the vast majority of them don't want a job, according to the most recent quarterly data from the Atlanta Federal Reserve. Some 44.1 million are retired, 15.4 million are disabled, 12.9 million are taking care of a family member and another 15.5 million are in college or job training. They are listed as not wanting a job.

But there are some people who want a job and can't find one.

Roughly 5.5 million people who are not in the labor force have looked for work in the past year or so. And another 7.6 million Americans looked for a job in the last month -- they are considered in the labor force, but unemployed.

We rate Trump's claim as **true but misleading**.

Reality Check: Trump on job creation

Trump also credited enthusiasm about the economy for the creation of thousands of jobs since his victory in November.

"Since my election, Ford, Fiat-Chrysler, General Motors, Sprint, Softbank, Lockheed, Intel, Walmart and many others have announced that they will invest billions and billions of dollars in the United States and will create tens of thousands of new American jobs," he said.

That's true at face value. But whether Trump actually sparked this flurry of job creation is more complicated.

In many instances, the jobs promoted were part of previously announced plans. Fiat Chrysler's announcement of factory investment creating 2,000 jobs is the latest phase in an "industrialization plan" announced a year ago and a 2015 deal with the United Auto Workers union.

Lockheed Martin said it would add 1,800 jobs to its F-35 fighter jet program but that is linked to production increases that have been in motion for years.

A company executive said General Motors' commitment to invest in factories and create or retain 7,000 jobs had also been in the works for some time.

In other cases, the jobs would likely have turned up no matter who's president. An Intel spokesperson said the company is investing in the Arizona factory because demand for the computer chip it will produce is picking up.

At the same time, executives have credited Trump's pro-business posture -- particularly his commitment to tax reform and deregulation.

"As the US manufacturing base increases its competitiveness, we are able to further increase our investment, resulting in more jobs for America and better results for our owners," GM CEO Mary Barra said in the company's announcement.

So while some of the jobs were going to be created even without the President intervening, there are signs he urged along the process in cases.

We rate the claim mostly true.

The F-35 fighter

Reality Check: Bringing down the price of the F-35 jet fighter

Trump kicked off his speech claiming he's already negotiating great deals.

"We've saved taxpayers hundreds of millions of dollars by bringing down the price of the fantastic -- and it is a fantastic -- new F-35 jet fighter," he said.

Here's the deal:

The Defense Department and Lockheed Martin, manufacturer of the F-35 Lightning II Joint Strike Fighter, on February 4 agreed on a deal for 90 more stealth fighter aircraft with an \$8.5 billion price tag.

Lockheed credited Trump, who held meetings and calls with Lockheed's CEO Marillyn Hewson to discuss the purchase with helping to "accelerate negotiations" and "drive down the price" of the approximately \$400 billion program.

According to Lockheed, the latest agreement slashed \$728 million (or roughly 8% less) compared to the Pentagon's last purchase. But that reflected the continued, and expected, decline in costs of the fighter as Lockheed Martin increased production.

That final price agreement of \$8.5 billion was not significantly different from what the Department of Defense and the fighter program's military leadership anticipated prior to the election.

For that reason, we rate the claim as true but misleading.

Defense spending

Reality Check: Is Trump's defense spending increase one of the largest?

Trump characterized his proposal to increase the defense budget as "one of the largest increases in national defense spending in American history."

His budget blueprint for 2018 will call for a 10% -- or \$54 billion -- increase over the \$549 billion set for next year.

In terms of sheer dollars, Trump's \$54 billion increase is one of the biggest, according to the <u>Committee for a Responsible Federal Budget</u>. But that's not a meaningful measure, CRFB notes, since "\$54 billion today is worth far less than \$54 billion a century ago."

Percentage wise, his proposed increase isn't even in the top 10 since 1940, CRFB found.

So is Trump's proposed increase really one of the largest in US history? It depends how it's measured.

Verdict: True but misleading