



## **The Daily 202: Trump team taking more credit for Obama successes**

March 10, 2017

While Donald Trump accuses his predecessor of wiretapping his office and prods Congress to eviscerate his signature domestic achievement, he also demands credit for Obama administration victories that he had nothing or little to do with.

The Bureau for Labor Statistics announced Friday morning that the U.S. added 235,000 jobs in February, bringing the unemployment rate down to 4.7 percent and likely giving the Federal Reserve the green light to raise interest rates next week.

February was the first full month of Trump's term, but it was also the 77th consecutive month of job growth. Most economists say the 235,000 figure merely reflects the continuation of longer-term trends and caution against attributing too much to Trump at this stage of his presidency.

But that won't stop Trump, who called the BLS numbers a hoax during the campaign, from celebrating them as a validation of his policies and agenda. He already did so last month, even though January's jobs report was based on data largely collected before his inauguration.

That was a small illustration of a larger pattern that's played out across the government over the past seven weeks. (Friday marked Trump's 50th day in office.)

-- A reporter asked Sean Spicer to react to North Korea's latest provocations during a briefing earlier this week. "The Trump administration is taking steps to enhance our ability to defend against North Korea's ballistic missiles," the press secretary replied, "such as through the

deployment of a THAAD battery to South Africa." Realizing he misspoke, Spicer corrected himself: "South Korea!"

In fact, the Obama administration began discussing the deployment of this advanced missile defense system more than a year ago and reached an agreement with Seoul to do so last July. Barack Obama touted the program at the top of a speech in Laos last September, and the Pentagon had already expedited the delivery.

Moreover, the system is still not operational. "Several key details of the deployment have not yet been finalized, and the land where the battery will be housed is not yet ready," the Post reported. "But South Korean defense officials said they would keep the equipment at the U.S. air base at Osan until the site is ready."

None of that stopped Spicer from talking about THAAD again the next day as if it was somehow Trump's idea. "We stand shoulder to shoulder with Japan and South Korea in doing what we can to protect that region," he said, responding to China's complaints about THAAD without mentioning that it had been in the works for a while.

Something similar happens whenever Trump discusses his defense build-up. Obama's budget last year already included a major boost for military spending in the 2018 fiscal year. When Trump calls for a 10 percent increase, he's using the 2017 fiscal year as a baseline. When the more accurate benchmark is used, what he describes as a bold increase is actually modest. In fact, it looks much more like the Obama plan than he'd ever want to acknowledge.

- Secretary of Commerce Wilbur Ross held a press conference on Tuesday to announce that the Chinese cellphone equipment maker ZTE agreed to plead guilty and pay \$892 million to settle allegations that it violated American laws on selling technology to Iran.

This deal was primarily investigated and negotiated by the Obama team.

Not only did Spicer overstate the size of the plea deal during his briefing later in the day (he called it "a record-high . . . \$1.19 billion"), he portrayed it as Trump following through on a campaign promise. "This settlement tells the world that the days of flouting the U.S. sanctions regime or violating U.S. trade laws are over," Spicer said. "President Trump is committed to ending the disrespect of American laws and American workers."

Trump has repeatedly taken credit for an agreement to reduce the cost of the F-35 jet fighter that was negotiated before his inauguration. "We've saved taxpayers hundreds of millions of dollars by bringing down the price," he claimed during his speech to Congress last week. "The cost savings he persists in bragging about were secured in full or large part before he became president," The Associated Press reports. "The head of the Air Force program announced significant price reductions in the contract for the Lockheed F-35 fighter jet Dec. 19 - after Trump had tweeted about the cost but weeks before he met the company's CEO about it. Pentagon managers took action even before the election to save money on the contract. Richard Aboulafia, an analyst with the aerospace consulting firm Teal Group, said there is no evidence of any additional cost savings as a result of Trump's actions."

Trump took credit for a small decline in the national debt that he had absolutely nothing to do with. The Saturday morning before last, Trump was watching Fox News and saw Herman Cain repeat a peculiar claim that he'd read on a conservative blog. The national debt, he said, had declined by \$12 billion during Trump's first month in office. Trump quickly tweeted what he'd heard on television as fact:

"The media has not reported that the National Debt in my first month went down by \$12 billion vs a \$200 billion increase in Obama first mo."

But the new president has yet to make any changes in spending policy or tax rates that would have any impact on this number. "Considering that Trump hasn't enacted any fiscal legislation, it's a bit of a stretch for him to take credit for any changes in debt levels," Dan Mitchell, a libertarian economist and senior fellow at the Cato Institute, told Politifact, which rated Trump's claim mostly false. "Debt levels go up and down in the short run based on independent factors such as quarterly tax payments and predetermined expenditure patterns."

Several experts told the fact-checking site that Trump's policies are almost certain to grow the national debt over time. "I wonder what he thinks he did to bring this about," said Harvard University government professor Jeffrey Frankel. "This one-month number is trivial in the long-run trend. The national debt will rise this year and in future years. It will rise at a sharply accelerated rate if Trump carries out even half of his campaign promises for specific tax cuts (and specific spending increases). Will he be willing to be judged by the debt numbers in the future? "

The most egregious examples of Trump claiming credit where it is not due relate to jobs. Most of the corporate expansions Trump has hyped predate his presidency and were already publicized during the previous administration.

This week's most notable example is ExxonMobil. The media focused on the White House cribbing language from a press release sent by the oil company, which went out just hours after Trump met with former Exxon CEO and current secretary of state Rex Tillerson. But the underlying story was that Trump explicitly took credit for an investment decision that was made years before he won the election. "I'm very pleased to announce the great company ExxonMobil is going to be investing \$20 billion in the Gulf Coast and the Gulf Coast region," Trump said in a Monday video message on Facebook. "This was something that was done to a large extent because of our policies and the policies of this new administration having to do with regulators and so many other things."

The oil behemoth itself acknowledged that these investments actually began four years ago, in 2013, and are expected to continue through at least 2022. The biggest piece is an LNG plant that's well underway, Bloomberg reports. While \$20 billion may seem like a lot to you, it represents only 10 percent of the company's current capital spending levels.

"Trump's bravado on these jobs announcements is becoming a bad joke," Washington Post's Michelle Ye Hee Lee observed Friday. "Among the many problems with this exercise is that

hiring pledges aren't binding. Plans change, and the jobs don't always come to fruition. For example, in 2013, Foxconn announced it would create 500 jobs at a new high-tech factory in central Pennsylvania. The factory was never built, and the jobs never came, The Post reported. Yet the company recently announced a plan to invest \$7 billion and hire up to 50,000 workers - a plan that Trump then touted."

Six other choice examples:

- Fiat Chrysler announced its plan to invest \$1 billion in Michigan and Ohio plants and create 2,000 jobs. The CEO said it had been in the works for more than a year and had nothing to do with Trump.

- Ford expanded in Michigan rather than in Mexico. But it had more to do with a strategic decision related to investing in electric vehicles than any administration policy.

- Walmart said it would create 10,000 jobs in the United States in 2017, but this was part of a \$6.8 billion capital spending plan announced in October.

- Intel announced it would create at least 10,000 jobs at a "new" plant in Arizona. But the chipmaker already announced this factory in 2011 with Obama. It just hadn't opened yet.

- SoftBank, the Japanese company that owns a controlling stake in Sprint, announced a \$100 billion technology investment fund three weeks before the election. It merely announced, as expected, that half of the money would be spent in the U.S.

- When Alibaba, the Chinese e-commerce company, pledged to create 1 million U.S. jobs, Trump said that until he got elected they had "no intention" of investing in the United States. But, in 2015, CEO Jack Ma had done just that and outlined a similar plan.