



Why Donald Trump's tweet about national debt decrease in his first month is highly misleading

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In an early morning tweet Saturday, President Donald Trump echoed a post on a fringe website claiming that the national debt has decreased by \$12 billion since Trump took office.

"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.," Trump posted on Twitter Feb. 25, 2017.

The tweet mirrors an article posted on the Gateway Pundit website a few days earlier. It was repeated by conservative pundit Herman Cain on Fox News shortly before Trump's tweet.

"On January 20th, the day of the Trump Inauguration, the US Debt stood at \$19,947 billion," the Gateway Pundit website reads. "On February 21st, a month later, the US Debt load stood at \$19,935 billion. Trump cut the US Debt burden by \$12 billion and 0.1% in his first month in office!"

The numbers check out. And in fact, the total public debt has dropped another \$22 billion since the Gateway Pundit article published, according to data from the U.S. Department of Treasury.

But, experts say, people shouldn't read much into the numbers. Nor should Trump be popping champagne.

"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 us.

"Debt levels go up and down in the short run based on independent factors such as quarterly tax payments and predetermined expenditure patterns," he said.

The White House did not respond to our query for this fact-check.

Looking at the debt numbers

Trump and the Gateway Pundit are examining the total public debt outstanding, which is nearing \$20 trillion. Experts said another figure to focus on is "debts held by the public," which is the amount of money the United States government owes someone else.

On Jan. 20, when Trump took office, the debt held by the public sat at \$14.4 trillion. That figure fluctuated up and down a bit, but as of Feb. 22, it remained \$14.4 trillion. On Feb. 23, the debt held by the public figure dropped to \$14.38 trillion.

Here's a chart that shows debt figures on selected days since Trump took office.

So, in isolation, the debt held by the public is down since Trump took office. But experts say it's likely to shoot back up any day.

"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?"

Dean Baker, an economist with the liberal Center for Economic and Policy Research, said the temporary dip in the debt is triggered by the timing of tax payments and government spending, "both matters that he has not affected one iota."

Added Neil Buchanan, a George Washington University law professor and author of *The Debt Ceiling Disasters*: "No one who knows anything about budgeting would take a 30-day change to have any meaning at all. There is no credit to take, because it's like noticing that rainfall numbers from one month to the next are not exactly the same or that attendance at baseball games is not a constant number."

Donald Marron, Director of Economic Policy Initiatives at the Urban Institute, speculated that the drop in debt may be because President Barack Obama's administration left Trump with cash on hand to run the government. So the government's need to borrow hasn't been high recently.

On Jan. 20, the day Trump took office, the federal government had a cash operating balance of \$382 billion, according to the Treasury Department.

By Feb. 22, the cash balance had dropped to \$228 billion.

Our ruling

Trump tweeted, "The National Debt in my first month went down by \$12 billion."

Trump would be wise to not read too much into this figure, which sounds more noteworthy than it actually is. The national debt fluctuates up and down depending on the day. While the debt is "down" after one month, experts say that trend will reverse and the debt will continue to rise.

This factoid is a gross misrepresentation of the state of the debt and the role the new president had in shaping the figure.

We rate this claim Mostly False.