Trump vs. Reality:
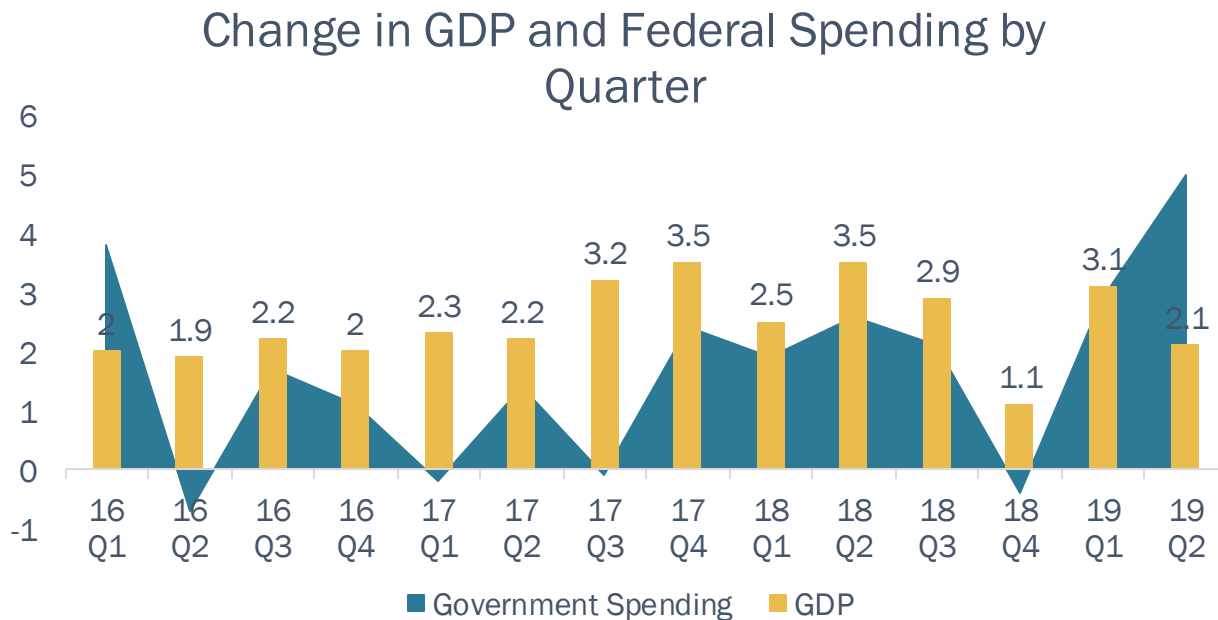# Economic Promises Made and Broken

Executive Summary

- While President Trump has made promise after promise to make the economy better for all Americans, a close look at the data tells a different story.

- The One Country Project (OCP) took a look at the President's top economic promises, ranging from growing the economy "to 4, 5, and many even 6 percent" to job creation to trade.

- The results? Far from what was promised. The following presentation outlines Trump failures on:

  - GDP and Government Stimulus
  - Manufacturing
  - Agricultural Exports
  - Farm Debt
  - Infrastructure
  - Tax Cuts and Wage Growth
  - Federal Debt and Deficit
  - Labor Force Participation

GDP and Government Stimulus

What Trump promised: "The economy now is at 3 percent. Nobody thought it would be anywhere close. I think it could go to 4, 5, and maybe even 6 percent, ultimately." President Donald Trump to White House press, 7/26/2019

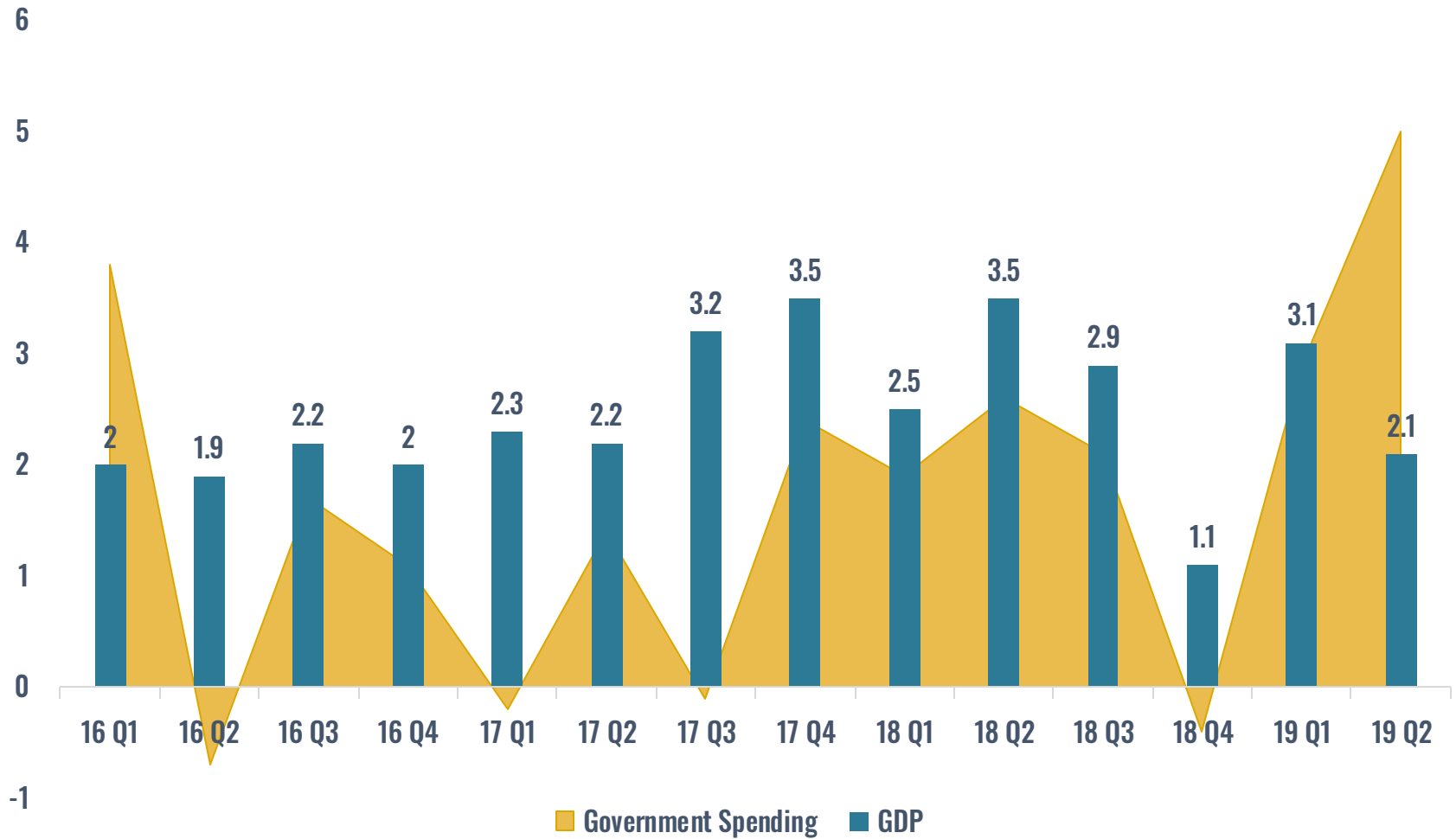**What Trump delivered:** The GDP growth is nowhere near Trump's optimistic predictions and would likely be lower if the federal government wasn't spending at a clip not seen since the Great Recession.

Change in GDP and Federal Spending by Quarter

Quarter	GDP
16 Q1	2
16 Q2	1.9
16 Q3	2.2
16 Q4	2
17 Q1	2.3
17 Q2	2.2
17 Q3	3.2
17 Q4	3.5
18 Q1	2.5
18 Q2	3.5
18 Q3	2.9
18 Q4	1.1
19 Q1	3.1
19 Q2	2.1

■ Government Spending ■ GDP

Source: USDC, Bureau of Economic Analysis, National Income and Products Accounts, 6/26/2019

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Change in GDP and Federal Spending by Quarter

Legend: Government Spending, GDP

Quarter	GDP
16 Q1	2
16 Q2	1.9
16 Q3	2.2
16 Q4	2
17 Q1	2.3
17 Q2	2.2
17 Q3	3.2
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18 Q1	2.5
18 Q2	3.5
18 Q3	2.9
18 Q4	1.1
19 Q1	3.1
19 Q2	2.1

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Manufacturing

What Trump promised: According to *ProPublica*, Trump has made 35 claims that companies would create 8.9 million jobs in the U.S. thanks to his policies and actions. ProPublica, 5/7/2019

What Trump delivered: U.S. factory activity grows at its slowest pace the last three years, according to the U.S. ISM Purchasing Manufacturers Index, and business confidence is on the decline.

Manufacturing Business Confidence Index

- Manufacturing Business Confidence Index
- Trend Line
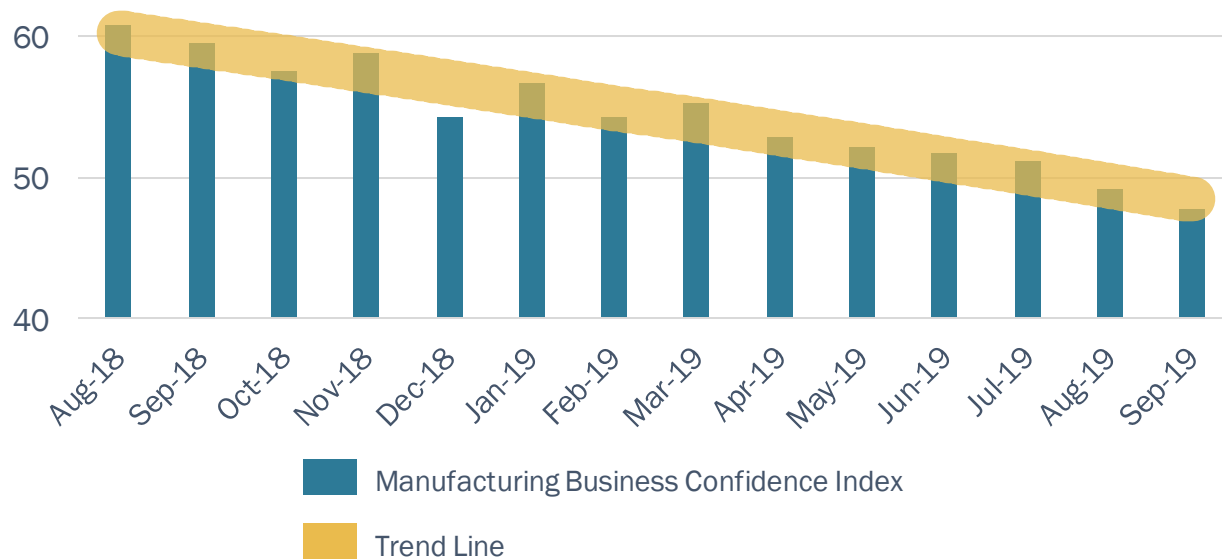
Agricultural Exports

What Trump promised: "As they have learned in the last two years, our great American Farmers know that China will not be able to hurt them in that their President has stood with them and done what no other president would do." - @realDonaldTrump, 8/6/19

What Trump delivered: A $12.24 billion decrease in agricultural exports to China, with an additional $6.3 billion in losses expected this year, according to economists at the USDA.

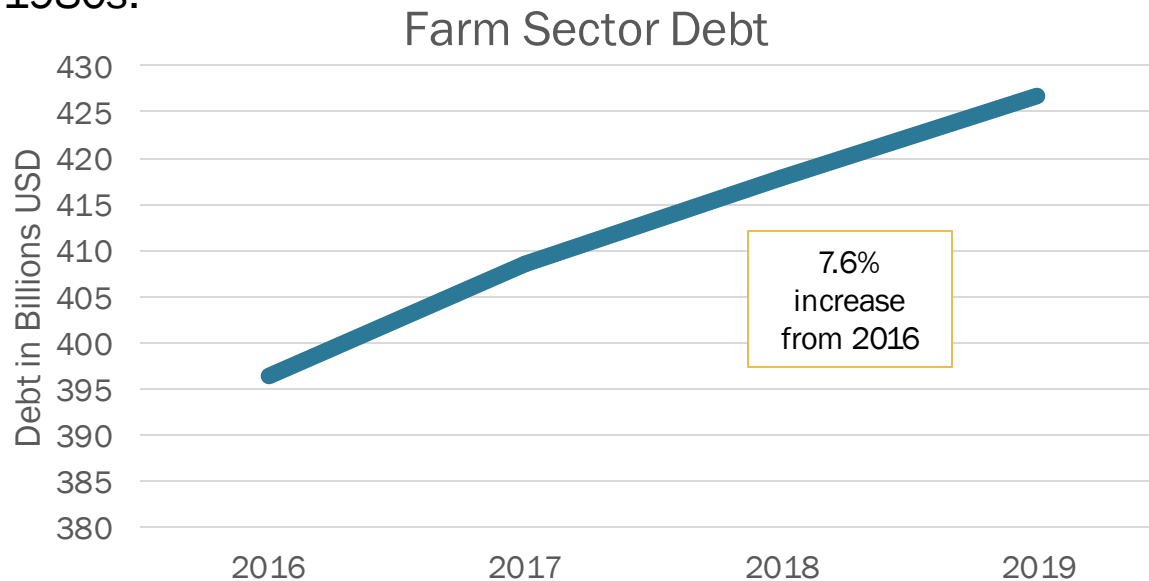## U.S. annual agricultural exports to China
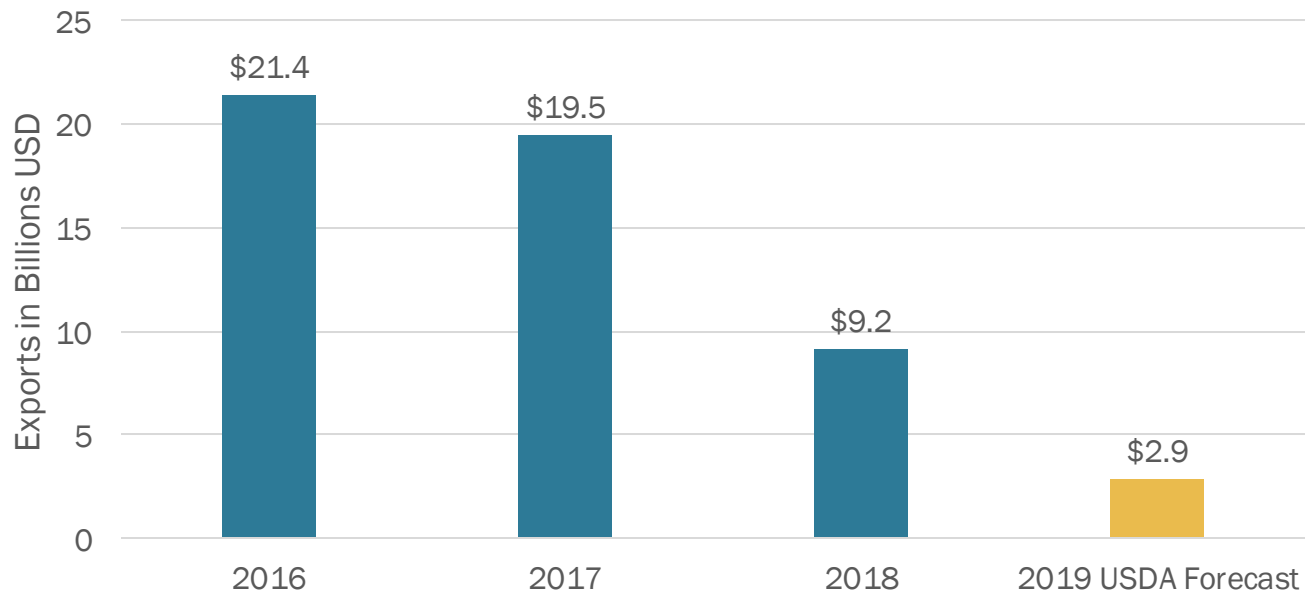
Source: USDA, Foreign Agricultural Service; USDA Economic Research Service

Farm Debt

What Trump promised: "Within a year and a half, I would say, you'll be in the best position you've been in in 15 years as farmers. And you deserve it...Under my administration we will always protect and defend our great American patriot farmer. Always." Remarks by President Trump, 6/11/2019

What Trump delivered: According to USDA's Economic Research Service, U.S. farm debt continues to increase, and is expected to reach almost $427 billion in 2019 – the highest level since the 1980s.

Farm Sector Debt

7.6% increase from 2016

Debt in Billions USD: 380, 385, 390, 395, 400, 405, 410, 415, 420, 425, 430
Years: 2016, 2017, 2018, 2019

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics, 3/06/19

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Infrastructure

What Trump promised: "We're gonna rebuild our infrastructure, which will become, by the way, second to none. And we're going to put millions of people to work as we rebuild it." President Donald Trump election night speech, 11/9/2016

What Trump delivered: Spending on infrastructure during Trump's years in office is not significantly higher than past presidencies.

Federal spending on transportation and water infrastructure
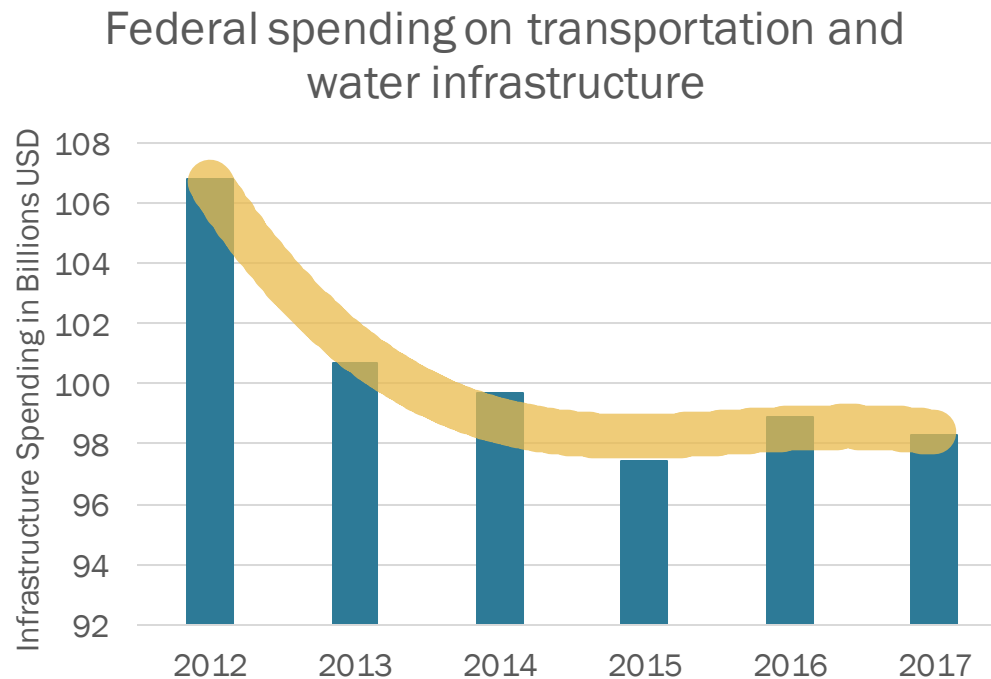
Source: Congressional Budget Office, using data from the Office of Management and Budget and the Census Bureau

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Tax Cuts and Wage Growth

What Trump promised: "Your paychecks are going way up. Your taxes are going way down." @GOP tweet, 4/15/2019

What Trump delivered: The Tax Cuts and Jobs Act (TCJA) primarily benefits the wealthy and real wage growth has slowed since the President took office.

Year-over-year change in real wages
among production nonsupervisory workers
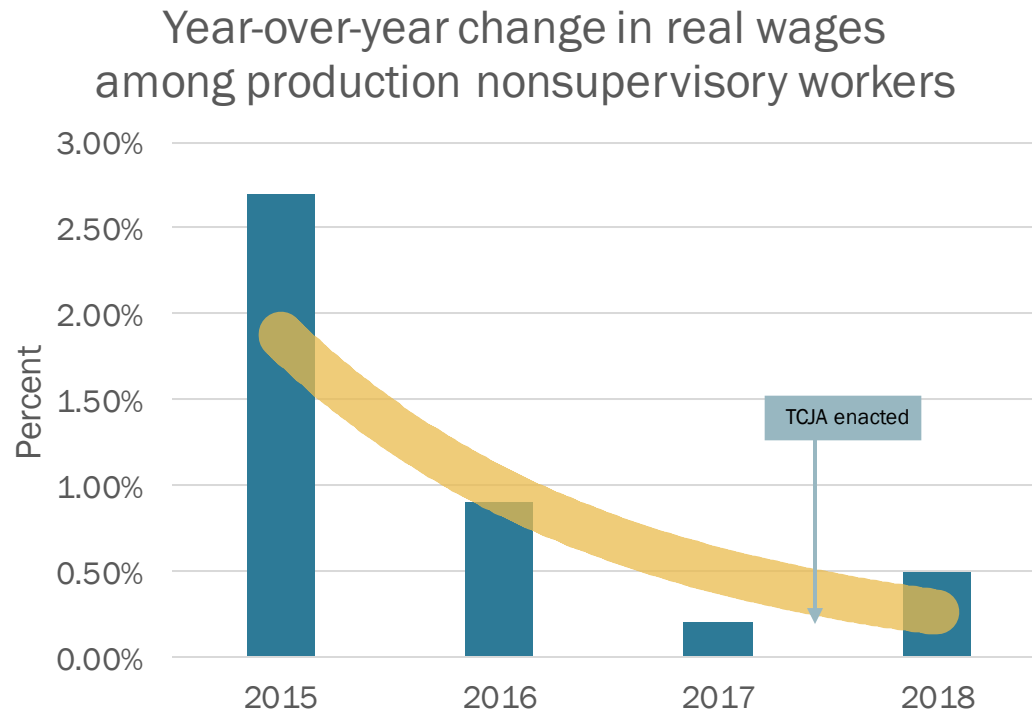
Source: Federal Reserve Bank, 12/18

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Federal Debt and Deficit

What Trump promised: President Trump told the *Washington Post* in an interview that he would eliminate the nation's more than $19 trillion national debt "over a period of eight years." Washington Post interview, 4/2/2016

What Trump delivered: According to Trump's own budget estimates, his spending would add $9.1 trillion to the national debt during that time.

Total public debt

14.34% increase from Q1 2016
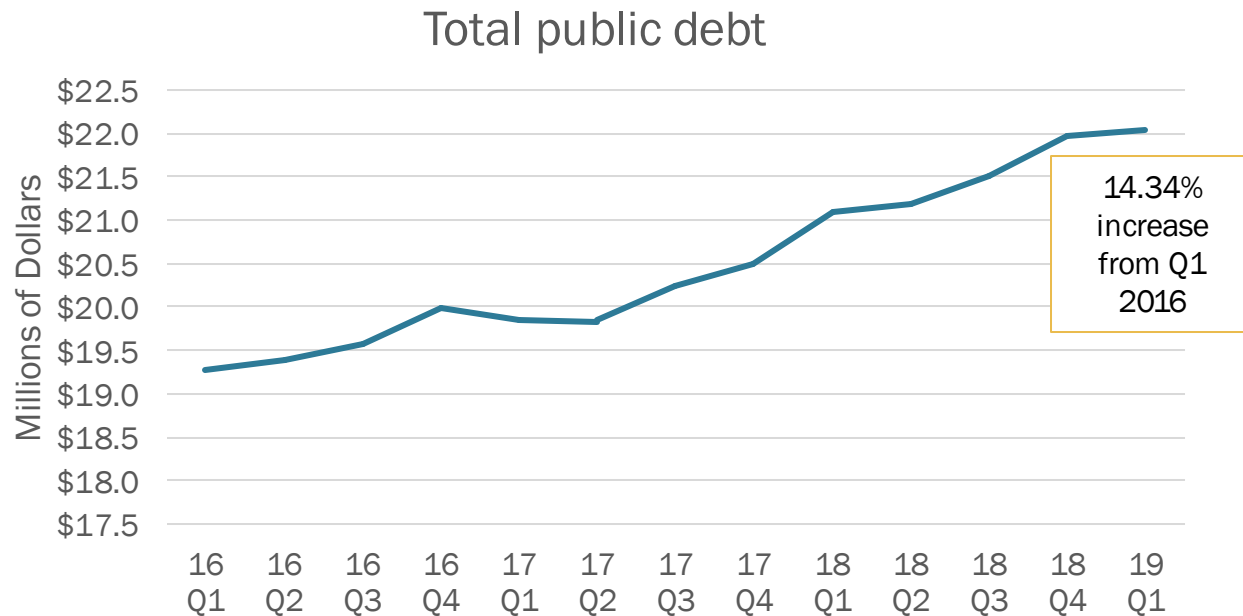
Source: U.S. Department of the Treasury, Fiscal Service, Federal Debt

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Labor Force Participation

What Trump promised: "... And we're also getting into the pool of the 100 million people that are not working. That pool is now coming back. As you know, that's not considered in the low employment numbers, which means we have a lot of people that want to get to work, and that will be working." Remarks by President Trump, 12/6/2019

What Trump delivered: The labor force participation rate has remained steady since President Obama was in office.

Labor participation rate from January 2009 to present
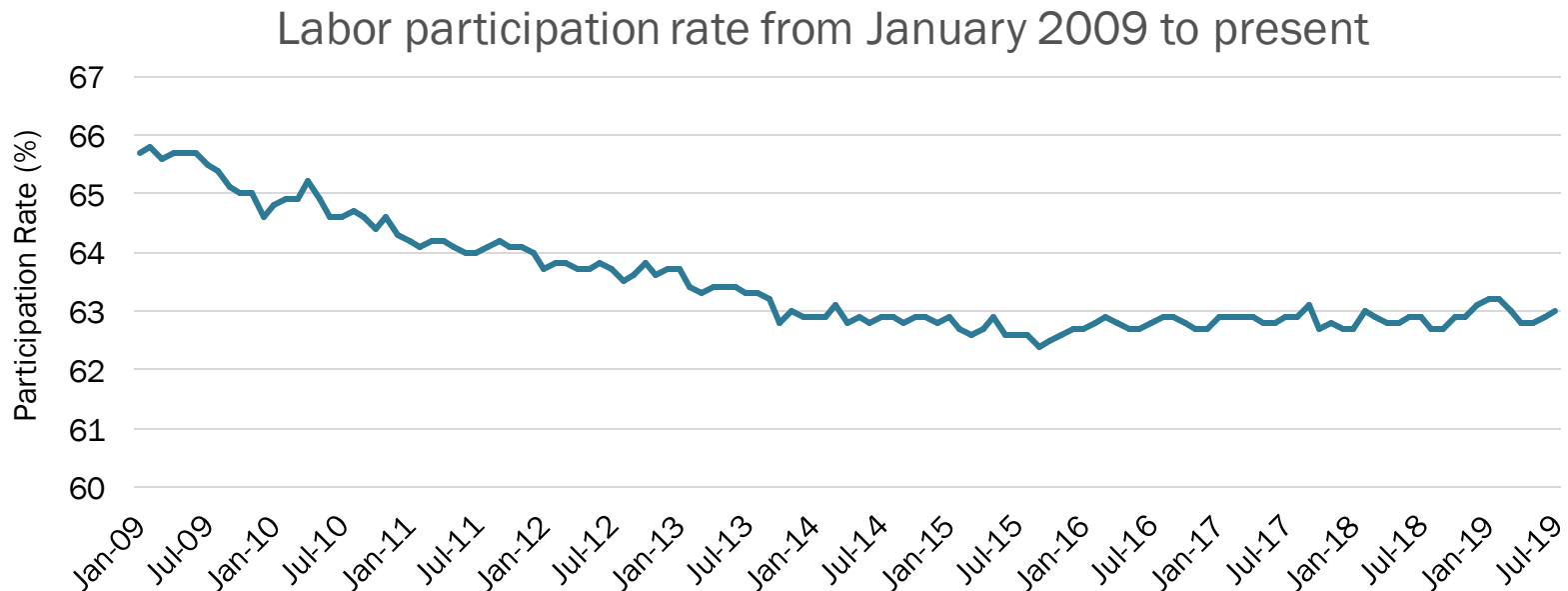
Source: U.S. Department of Labor, Bureau of Labor Statistics

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