

POLITICS | [UNITED STATES OF AMERICA](#)

Fact check: Is Biden or Trump better for the US economy?

[Astrid Prange de Oliveira](#)

21 hours ago


Who is the more economically competent, Trump or Biden? One has public opinion on his side; the data supports the other. DW examined four claims about growth, inflation, debt and the US stock market.



Democrat Joe Biden and Republican Donald Trump will face off again in November's president election



Image: ABACA/IMAGO;AP Photo/picture alliance

ADVERTISEMENT

The opinion research institute [YouGov](#)  has found that, with regard to the economy, a majority of the US population has greater faith in Donald Trump than in the incumbent president, Joe Biden. Only 26% of the voters canvassed by the institute in February of this year considered Biden a capable economic policymaker. By contrast, Trump reaches approval ratings of 47%.

But do the survey results align with US economic data?


Booming economy?

Claim: "Biden is destroying law and order, and our economy is in a free fall. Under Donald Trump ... our economy was strong. We need four more years of Donald J. Trump," US Senator [Tim Scott](#)  wrote on X on March 28. [Other X users](#)  also hark back to the "booming economy" under Trump.

DW Fact Check: Misleading

The first three years under Donald Trump were economically promising, with growth rates of over 2% (see graph). This does not, however, constitute a sustained "boom". The definition of a boom is a


market.

Trump started his first term in office on January 20, 2017, with [US economic growth](#)  at 2.4%. In 2020, when the COVID-19 pandemic hit, the economy declined by 2.2%, then recovered in the final quarter, surging to 5.8%.

The economy is not "in free fall" under Biden, as US Senator Scott has claimed. It has stabilized at a growth rate of around 2% (see graph), with growth of 2.1% [predicted for 2024](#) .

Conclusion: The comparison shows that the US has not experienced an economic boom under either Trump or Biden. Rather, it has been struggling to deal with the economic consequences of severe crises such as the COVID-19 pandemic and the war in Ukraine.

Rising national debt


Claim: "In the last four years, reckless spending has driven the national debt past \$34 trillion." This accusation was made by the Trump-aligned organization [Americans for Prosperity](#) , whose website supposedly offers a "fact check" of Biden's economic policy.

DW Fact Check: Misleading

It is true that, according to official sources, US public debt rose to a historic high of [34 trillion dollars](#)  in the fourth quarter of 2023. This corresponds to 124% of US GDP.

However, it is also true that, proportionally, the national debt increased more under Trump's presidency than under Biden. Between 2017 and 2021, under Trump, outstanding debt rose from \$19.84 trillion to \$28.13 trillion — an increase of 41.62%.

Under Biden, debt rose from \$28.13 trillion to \$34 trillion in December 2023 — an increase of 20.86%.


Contrary to the claim of Americans for Prosperity, which accuses Biden of "reckless spending," the US Department of the Treasury blames [two main factors](#)  for this development: additional spending as a result of the COVID-19 pandemic and the war in Ukraine, as well as a simultaneous drop in tax revenues.

Tax revenues decreased not only because of the economic downturn during the pandemic, but also as a result of Trump's 2018 tax reform. This is a fact his followers like to suppress.

The reform reduced corporate taxes from an average of 35% to 21%. Income tax rates were also lowered. The increase in government spending was financed by taking on debt.



Conclusion: Trump shares the responsibility for the rising national debt.

Biden and inflation

Claim: "Joe Biden unleashed inflation on America, at record levels, and it doesn't go away." This [accusation](#)  was made by Glenn Allen Youngkin, governor of the US state of Virginia, in an interview with the broadcaster Fox News on March 21, 2024.

DW Fact Check: False


The statement ignores important statistical data, because it fails to mention that the inflation rate in the United States has been steadily dropping for a year (see graph).

[According to the White House](#) , the rate in 2023 was 3.4%. In February, it dropped to 3.2% compared to the same month last year. After the Russian invasion of Ukraine in 2022, the [rate stood at 8%](#) .




Conclusion: The real causes of rising inflation are COVID-19 and the Russian invasion of Ukraine, which caused energy prices to explode — not Biden's economic policy.


Stock market high


Claim: "This is the Trump stock market because my polls against Biden are so good that investors are projecting that I will win, and that will drive the market up." Trump [made this claim](#)  on his network Truth Social on January 29, 2024, in response to a US stock market high.

DW Fact Check: False

In fact, over the past year, between April 2023 and April 2024, the [S&P 500](#)  stock index rose by 27 percent.

Along with the Dow Jones and Nasdaq, the S&P 500 is the third major US stock market indicator. It includes the 500 largest stock-exchange-listed companies in the United States.

The boom in the US stock market has less to do with Trump's poll ratings and more with the interest rate policy of the Federal Reserve (FED). The US stock market recovery began in late 2023, when the FED chairman, Jerome Powell, [hinted](#)  that the historic tightening of monetary policy was probably over, as inflation was falling faster than expected.

On April 3, 2024, [Powell stated](#)  that, given the good development of the US economy, and "if the economy evolves broadly as we expect," a rate cut could be forthcoming at some point this year.

According to analysts, other factors have also contributed to the stock market high, such as "optimism with regard to artificial intelligence."

Conclusion: Trump's post indicates inflated self-esteem rather than economic competence.

This article was originally written in German.

[Astrid Prange de Oliveira](#) DW editor with expertise in Brazil, globalization and religion

[Send us your feedback](#) 

Related topics

[Energy crisis](#)

[US election 2024](#)

[United States of America](#)

[Donald Trump](#)

[Inflation](#)

DW's Top Story