



## Reliable References

Student Handout #7: **FactCheck.org, “Sunday Morning Missteps”**

August 6, 2007

### **Another Republican debate, with more false claims**

#### **Summary**

The Republican presidential candidates debated – and sounded some more false notes:

- Former Massachusetts Gov. Mitt Romney falsely claimed U.S. job growth had been nearly 17 times faster than Europe's. Actually, European Union employment grew faster than that of the U.S. last year. Romney's source for the information told FactCheck.org that he himself would no longer use the figures.
- Former New York Mayor Rudy Giuliani accused Democratic candidates of "appeasement" toward Islamic terrorists. In fact, leading Democratic candidates have spoken out strongly against terrorism.
- Sen. John McCain claimed American families spend \$140 billion of their income preparing federal income tax returns. We find no support for that figure, which the Internal Revenue Service puts at \$19 billion.
- Rep. Tom Tancredo claimed illegal immigrants "are taking a large part of our health care dollars." But the independent Rand Corp. estimates that undocumented immigrants account for 1.5 percent of health care spending or less.

#### **Analysis**

Republican presidential candidates [debated](#) for 90 minutes on Sunday's "This Week with George Stephanopoulos" in what ABC News billed as the Republicans' first network debate. (It was, of course, the candidates' fourth debate, having already aired their views on MSNBC, Fox News Channel and CNN, but never mind all that.)

We noted the following factual stumbles:

#### **Romney's Economic Miracle**

Former Massachusetts Gov. Mitt Romney erred when he claimed U.S. job growth had been nearly 17 times faster than that of Europe:

**Romney:** We are the largest economy in the world. We've added – during the time Europe added 3 million jobs, we've added about 50 million jobs in this country.



That miraculous-sounding statistic is way off. It has taken since the end of 1978 for total employment in the U.S. to grow by 50 million jobs, according to official figures kept by the [Bureau of Labor Statistics](#). But total employment for the 15 core members of the European Union (those who joined before 2004) grew by well over 33 million between 1978 and 2005, according to the Organisation for Economic Co-operation and Development ([OECD](#)). Europe has added even more jobs since. In fact, the 27 current EU nations added nearly 3 million new jobs last year alone, [according](#) to the EU statistics agency Eurostat. That's well over the 2.3 million jobs created last year in the United States.

Romney was misquoting an outdated and highly dubious figure, which was used by an author who no longer stands behind it. Romney cited a 2005 article in *The American Enterprise* magazine, published by the pro-business American Enterprise Institute. In the article, titled "America Still Beckons," author Joel Kotkin wrote: "Since the 1970s America has created some 57 million new jobs, compared to just 4 million in Europe (with most of those in government)." Kotkin told FactCheck.org he wouldn't use the figure today.

We concur. The 4 million figure is a somewhat garbled version of what another author, Karl Zinsmeister, had written in another *American Enterprise* article from 2002, "Old And In The Way (Decline and Fall of Europe)." Zinsmeister put the figure at 5 million – not 4 million or 3 million – and the time period as "since 1970," rather than Kotkin's "since the 1970s," which implies a somewhat more recent time. "I don't know how it got changed," Kotkin said. In any case Kotkin told us it was his sense that Zinsmeister's 5 million figure referred mainly to Germany and France, not to all 15 pre-2004 European Union members, let alone the 27 current EU members. In any case, it refers to statistics covering years prior to 2002. "This was an old number," Kotkin said. His advice: "I would not use that."

## **Accusing Democrats of Appeasing Terrorists**

Former New York Mayor Rudy Giuliani accused Democratic candidates of "appeasement" toward Islamic terrorists out of "political correctness."

**Giuliani:** [In] four Democratic debates, not a single Democratic candidate said the word "Islamic terrorism." Now, that is taking political correctness to extremes.... The reality is

that you do not achieve peace through weakness and appeasement. Weakness and appeasement should not be a policy of the American government.



Properly speaking, of course, "Islamic terrorism" is two words, though Giuliani is correct to say that in four debates the Democratic candidates have not uttered the words "Islamic terrorism" together. And it is true that Democratic candidates have generally avoided making critical comments about Muslims or the Islamic faith. Whether or not that constitutes "political correctness" and/or "appeasement" is a matter of opinion which we leave to others. But Giuliani is wrong to imply that the Democrats have

failed to address terrorism. Here is a sampling of what leading Democratic candidates said in one debate:

**Sen. Barack Obama (June 3):** ...[O]n this issue of terrorism. We have genuine enemies out there that have to be hunted down. Networks have to be dismantled. There is no contradiction between us intelligently using our military, and in some cases lethal force, to take out terrorists, and at the same time building the sort of alliances and trust around the world that has been so lacking over the last six years.

**Former Sen. John Edwards (June 3):** As president of the United States, I will do absolutely everything to find terrorists where they are, to stop them before they can do harm to us, before they can do harm to America or to its allies.

**Sen. Hillary Clinton (June 3):** I am a senator from New York. I have lived with the aftermath of 9/11, and I have seen firsthand the terrible damage that can be inflicted on our country by a small band of terrorists who are intent upon foisting their way of life and using suicide bombers and suicidal people to carry out their agenda.

### **McCain's Exaggeration**

Sen. John McCain of Arizona overstated what "families" spend to prepare their taxes:

**McCain:** That's the way you're going to simplify the tax code, which now requires \$140 billion of American families' income to prepare their tax returns.

We're still waiting for McCain's campaign to let us know where he got that figure. He may have been referring to a 2001 study by the business-friendly Tax Foundation that [put](#) the total cost of federal tax compliance at \$140 billion. But that figure wasn't just for "families," it included individual and business taxes. The cost attributed to *individuals* was \$65 billion. And even that figure is not an estimate for the amount of "American families' *income*" spent to prepare taxes. The Tax Foundation made assumptions about the *time* spent preparing returns and assigned a dollar value to that time.

The Internal Revenue Service does estimate the impact of tax preparation on Americans' income. The IRS' Individual Tax Burden Model [calculates](#) time burden separately from cash outlay. For 2000, the most recent year for which figures are available, it puts the latter at \$19 billion, a fraction of the figure McCain used.

*Update: After this story was published, John McCain's campaign contacted us to say that the senator was drawing his figures from a 2005 [report](#) by the President's Advisory Panel on Federal Tax Reform. The panel cited a total compliance cost of \$140 billion. Like the Tax Foundation's figure, this reflects both individual and business taxes, and it is based on assigning a dollar value to the estimated time spent preparing returns.*

*The IRS [reports](#) that there were 134 million individual tax returns filed in 2006. The President's Advisory Panel cites an average out-of-pocket cost of \$166 for each return (for professional accountants, software and filing fees). This works out to be a cost of just over \$22 billion in total out-of-pocket cash expenditures – not far off the IRS' \$19 billion estimate for 2000.*

*McCain would have been correct to say that it is estimated that American families spend more than \$20 billion of their income on preparing tax returns, plus hours of their valuable time. But the source he cites doesn't back up his claim that families spend \$140 billion, or anything close to that.*

## **Tancredo on Health Care**

Rep. Tom Tancredo of Colorado misrepresented the health care expenses of illegal immigrants:

**Tancredo:** And not only that, but let's do something about the 12 million to 20 million illegal aliens in this country that are taking a large part of our health care dollars.

To the contrary, a 2006 study by RAND Corp. researchers [determined](#) that undocumented immigrants, 3.2 percent of the population, account for only 1.5 percent of U.S. medical costs. The study found that immigrants, both legal and illegal, use fewer medical services and less funding from public insurers than native-born residents. The study was performed in Los Angeles County, Calif., and the numbers were extrapolated to apply to the full U.S. population. Researchers suggested that "because Los Angeles County is known as an immigrant-friendly location for services, the estimates for the nation may be lower for undocumented immigrant service use and, thus, may be lower for medical costs." Immigrants may use more resources than Rep. Tancredo would like, but it's a stretch to say that they "are taking a large part of our health care dollars."

## **Mitt's Misleading Alibi**

Romney made a misleading statement in trying to explain why he had falsely accused Giuliani of favoring gay marriage during an interview that aired in early March.

Stephanopoulos asked if Romney stood by what he had said on the Christian Broadcasting Network when he claimed that Giuliani "is pro-choice and pro-gay marriage and anti-gun, and that's a tough combination in a Republican primary." Romney said his statement came "very early in the process," and added:

**Romney:** Yes, it was in March. **He wasn't a candidate yet.** I think I have a better perspective on his views now – not entirely, but a pretty good view on his positions. And I'd rather let him speak for him, his own positions, than me speak for them.

Actually, Giuliani had said quite clearly that he was a candidate on Feb. 14, 2007, in an interview on CNN's "Larry King Live" – two full weeks before Romney's statement to CBN. Giuliani's low-key announcement came nearly three months after he had formed a federal exploratory committee, and King led the interview with the much-asked question:

**King:** Are you running or not?

**Giuliani:** Yes, I'm running. Sure.

A Romney campaign spokesman told FactCheck.org that the former mayor was still not *officially* a candidate under federal election law. "Mayor Giuliani didn't file his official paperwork until April," said Matt Rhodes, Romney's spokesman.

But according to the Federal Election Commission, Giuliani [filed](#) a statement of candidacy on February 5. A month later, on April 17, he [filed](#) a second statement of candidacy, changing the name of his principal campaign committee from Rudy Giuliani Presidential Exploratory Committee to, simply, Rudy Giuliani Presidential Committee.

Others can judge whether the details of Giuliani's FEC filings excuse a false statement about him, but false it was. As ABCNews.com was quick to [note](#) at the time, and as Romney himself now concedes, Giuliani has never endorsed gay marriage. He did sign a 1997 bill creating domestic-partnership benefits in New York City, but domestic partnerships don't constitute marriage in the eyes of the law, or any religion we're aware of.

*- by Brooks Jackson, with Viveca Novak, Justin Bank, Jessica Henig, Emi Kolawole, Joe Miller, Lori Robertson, Carolyn Auwaerter and Allie Berkson*

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