

Economic Uncertainty: The Rhetorical Failure of Trump's March 11th 2020 Speech

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Abstract

At 1:44 PM EST on March 11th of 2020, Trump tweeted that he would be “addressing the nation” at 9 PM EST that same day. This oval office address was a statement on COVID-19 and what the pandemic meant for America. This research is a rhetorical analysis of Trump’s public address on that day. His speech, already given in a time of uncertainty, led to widespread panic amongst consumers, with U.S. stocks falling the next day by almost 10%, in their worst day since the 1987 crash. News outlets and economists reported that the uncertainty that came along with the pandemic was only worsened because of Trump’s fear stoking and the atmosphere of uncertainty this speech created. What were people reading in the speech that could have pushed them towards this economic behavior? Conducting a rhetorical analysis of the speech through an innovation on the textual-intertextual method, this paper analyzes Trump’s speech, what people said about it at the time, and how the Trump administration spun it through social media and mainstream news. Close textual analysis allows us to have an in-depth, microscopic understanding of the speech itself. Rather than just end there, with an explanation of how the text invites a particular reading, we examine intertextual evidence of the speech’s extrinsic effect. Reading secondary sources that explicitly mention the primary text, including those produced by audiences hailed by the text as well as by Trump and his proxies, we can understand its broader reception especially as it relates to investor behavior and consumer attitudes. This study finds that Trump’s vague claims, ambiguous statements and sparse emphasis on international cooperation all help explain the economic uncertainty that resulted from this speech.

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Introduction

The day after Donald Trump’s March 11, 2020 Oval Office Address – “Remarks by President Trump in Address to the Nation” – was delivered, stock markets took a massive hit upon opening. By the end of March 12th, the Dow Jones had its greatest value loss since the Black Monday crash of 1987. Conditions were so severe that trading was halted temporarily by the market’s fail-safe, an automatic trigger when the S&P 500 drops more than 7% (Leonhart 2020; Duffy 2020).¹ As *U.S. News & World Report* wrote, “Outside of Black Monday and twice during the Great Depression of 1929, the Dow hasn’t seen a worse day in history.”² By market closing on March 12th, the Dow and D&P 500 were both down 10% and the Dow had dropped more than 2,300 points. This response was despite emergency actions by the Federal Reserve and the European Central Bank to mute the financial and economic damage from the coronavirus. Uncertainty measures such as the CBOE VIX (also known as the “fear gauge”), designed to measure the volatility and indecision in the economy, had a huge spike that week.³

Both mainstream news outlets and economists had a single unanimous interpretation, agreeing that the speech was a disaster in its content and failed in its alleged intention to calm the

¹ Megan Leonhardt, “The Stock Market Halted Trading Monday—Here’s Why Younger Investors Shouldn’t Panic,” CNBC, March 10, 2020, <https://www.cnbc.com/2020/03/09/the-stock-market-halted-trading-younger-investors-shouldnt-panic.html#:~:text=If%20the%20S%26P%20500%20drops,the%20rest%20of%20the%20day>”; Clare Duffy, Sherisse Pham, and Julia Horowitz, “US Stocks Enter Bear Market and Global Markets Routed after Trump’s Travel Ban | CNN Business.” CNN, March 11, 2020. <https://www.cnn.com/2020/03/11/investing/stock-futures-coronavirus-trump/index.html>.

² Andrew Soergel, “Stocks Plunge 10% in Worst Day Since Black Monday,” *U.S. News & World Report*, March 11, 2020, <https://www.usnews.com/news/economy/articles/2020-03-12/stocks-plunge-10-in-worst-day-since-black-monday>.

³ Ethan Wolfe-Mann, “The Stock Market Is Turning into a Casino,” March 11, 2020, <https://finance.yahoo.com/news/the-stock-market-is-turning-into-a-casino-212956205.html>.

American people. CNN reported on March 11th that “President Donald Trump used a national address on the coronavirus to announce a ban on most travel from Europe, but failed to deliver the comprehensive economic and medical response to the outbreak that investors are craving.”⁴ Right leaning news outlets corroborated this reading, with Fox News reporting on the same day that “this day will be remembered as the point where the coronavirus outbreak reached a new level of seriousness in the U.S. ... In a span of just 2 hours, the dizzying series of developments came even as coronavirus fears continued to wreak havoc on the financial markets.”⁵ Investors such as Luca Paolini, the Chief Strategist at Pictet Asset Management, echoed this panic, saying “This was the most expensive speech in history. Investors are voting with their feet, and I can’t blame them.”⁶

Already given at a time of uncertainty, Trump’s speech enhanced the existing atmosphere of anxiety and resulted in a major downturn in the stock market. Assuming that journalists and economists are correct in identifying the speech as the cause of the economic decline, what were investors responding to in the speech that could have pushed them towards this behavior? This paper offers a close rhetorical analysis of Trump’s public address on March 11th 2020 and the discourse surrounding it to answer that question.

In 2012, economists Luboš Pástor and Pietro Veronesi concluded that the announcement of new policy often correlates to a fall in stock prices.⁷ Generally, if a government policy is

⁴ Duffy, Pham, and Borowitz, “US Stocks Enter Bear Market.”

⁵ Dom Calicchio, “Coronavirus News Appears to Increase as Outbreak Spreads,” *Fox News*, March 12, 2020, <https://www.foxnews.com/health/coronavirus-news-appears-to-increase-as-outbreak-spreads>.

⁶ Quoted in Adam Samson et al., “US Stocks Fall 10% in Worst Day Since 1987 Crash,” *Financial Times*, March 12, 2020, <https://www.ft.com/content/454b7bb2-6405-11ea-a6cd-df28cc3c6a68>.

⁷ Luboš Pástor and Pietro Veronesi, “Uncertainty About Government Policy and Stock Prices,” *The Journal of Finance* 67, no. 4 (July 19, 2012): 1219–64, <https://doi.org/10.1111/j.1540-6261.2012.01746.x>.

expected to increase a firm's expected profitability, then the prospect of increased cash flow pushes stock prices up. But more often, a policy change increases discount rates because the new policy's impact on profitability is more uncertain. So, stock prices fall at the announcement of a policy change, unless the old policy's impact is extremely ineffective. The fall in stock price tends to be larger when the policy change has a large element of surprise. Furthermore, they argued that the price decline should be larger if the policy change causes higher uncertainty among the public and investors. This uncertainty comes from people being unsure about government policy, and this risk to firms pushes stock prices down. With a widespread enough policy, such as one announced during an Oval Office Address, we can expect drastic impacts on the S&P 500 and Dow Jones, since they are weighted indexes comprised of 500 of the world's largest companies and 30 blue chip stocks respectively. In this paper, I acknowledge that some of the effect of the speech was likely a result of the policy announced there, such as the travel ban, but this thesis will argue that the speech itself was also to blame. In other words, if the policy had been presented in the right way, the effect on the market would have been less. While drops in the stock market at announcement of a new policy are common, this large of a drop is a unique circumstance.

There are a few key reasons why this rhetorical analysis is worth pursuing. First, Trump's position as the President of the United States when delivering the speech placed him in a position of rhetorical power, making any speech he gives during his presidency worthy of study in its own right. Political scientist Dan Wood, a professor of political science at Texas A&M University explains in his book *The Politics of Economic Leadership: The Causes and Consequences of Presidential Rhetoric* that Americans pay attention to the president's words

because of the belief that presidents have insider information and state of the art counsel, which is deserving of our notice.⁸ The president's remarks have inherent credibility and therefore suggestions that the president gives to guide us through a crisis are believed to be the most informed and best actions in the interest of the American public. The speech that Trump gave on March 11th is therefore likely to have been influential, and thus worthy of study.

With the power of the executive branch behind him, the President has unique access to information and strategic counsel, so in communicating to citizens is seen as a credible and authoritative figure. On the assumption that Trump's words during this Oval Office Address shaped American's outlook on COVID, as so many have stated, studying speeches such as the one on March 11th 2020 could be useful in understanding what went right and wrong on this occasion.

Historical inquiry also suggests that a presidential speech such as this, with economic implications, will be worthy of study. There have been countless examples of presidential rhetoric influencing the economy. One example of a presidential speech having a direct positive influence on the economy was Franklin Delano Roosevelt's first inaugural. At the time of his entering office, the United States was at the peak of the Great Depression. Unemployment had reached 25%, with 13 million people being affected. Almost every major bank had closed, impacted by a string of bank failures.⁹ Overwhelmingly, it was one of the most difficult economic times in American history. In 1933, Roosevelt was tasked with getting things back on track. Raymond Moley, a journalist and American political economist who helped Roosevelt

⁸ B. Dan Wood, *The Politics of Economic Leadership: The Causes and Consequences of Presidential Rhetoric* (Princeton University Press, 2021).

⁹ William E. Leuchtenburg, "Franklin D. Roosevelt: Domestic Affairs," *Miller Center*, October 4, 2016, <https://millercenter.org/president/fdroosevelt/domestic-affairs>.

craft this speech wrote that with these words, “Roosevelt took the ship of state and turned it right around.”¹⁰ In other words, the atmosphere of confidence and economic recovery inspired by Roosevelt’s speech would be a strong push towards changing the actual material prospects of the nation. As rhetorical scholars Davis Houck and Mihaela Nocasian conclude after reviewing the immediate reception of various audiences to Roosevelt’s first inaugural, “the new president had restored the nation’s confidence” with the force of his rhetoric.¹¹ Rhetorical critic Halford Ross Ryan examined the recorded response to the speech by private persons and the press and concluded that because Roosevelt had selected the most effective rhetorical techniques in this speech, “from all quarters came support” for the president’s leadership, Republicans and Democrats alike.¹² In short, it is possible, with the right kind of presidential speech, to respond to a crisis with words that restore the confidence of the people. The fact that Trump’s speech did not do this suggests that there is something about its rhetorical structure that failed, where Roosevelt succeeded. An analysis of Trump’s speech could help us understand what that something was.

Denise M. Bostdorff identifies in the *Handbook of Crisis Communications* the genre of crisis rhetoric, or when the president addresses a crisis. This kind of rhetoric is deeply important to the reputation of a president, as it can oftentimes be the defining moment of their presidency. Because it can be so consequential, presidents are careful towards how to communicate crises. By speaking on a crisis, presidents can bring it to the attention of the people and hope to resolve

¹⁰ Quoted in Davis W. Houck and Mihaela Nocasian, “FDR’s First Inaugural Address: Text, Context, and Reception,” *Rhetoric and Public Affairs* 5, no. 4 (2002): 649.

¹¹ Houck and Davis, “FDR’s First Inaugural Address,” 649-50.

¹² Halford Ross Ryan, “Roosevelt’s First Inaugural: A Study of Technique,” *Quarterly Journal of Speech* 65 (1979): 144.

it. However, Bostdorff warns, presidents should avoid promoting a crisis that they cannot resolve, as such speech can harm every stakeholder involved.¹³ Moreover, presidents should mitigate crises by being adequately prepared and taking clear and necessary action. Bostdorff highlights the example of Trump disbanding the NSC pandemic defense team and not following the Obama administration's plans as a mistake in preparedness that contributed to the crisis of confidence that America was experiencing. Speaking on a crisis can result in short term gains, but drawing attention as Trump did not handling the crisis itself well harms the long-term reputation of an administration. Bostdorff also outlines key factors that contribute to effectiveness in the eyes of the public, such as a consistent plan, a consistent but flexible narrative of the crisis, and reinvigoration of the narrative with new material. These factors are all notably missing in Trump's March 11th, 2020 speech.

Deirdre N. McCloskey, a pioneer in the intersection of rhetoric and economic confidence argued that economists must place more emphasis on their rhetoric, saying, "Everywhere in the literature of economics one is met with premises that are unargued, tricks of style masquerading as reason, forms of evidence that ignore the concerns of the audience, and other symptoms of a lack of self-consciousness in rhetoric."¹⁴ In other words, economics has always been rooted in rhetoric, from metaphors like supply and demand "curves" to "game theory." When confronting why we should take this unexplored field seriously, McCloskey explains that economics is oftentimes badly communicated, and improvement in delivering these messages can help scientists, learners and even foreign relations officials create better policy.

¹³ Denise M. Bostdorff, "US Presidents and Crisis Communication," in *The Handbook of Crisis Communication*, (Chichester, West Sussex: Wiley Blackwell, 2023), 248–60.

¹⁴ Deirdre N. McCloskey, "The Rhetoric of Economics," *Journal of Economic Literature* 21, no. 2 (June 1983): 481–517, <http://www.jstor.org/stable/2724987>.

Another reason for studying this speech is that rhetoric surrounding the coronavirus pandemic is worthy of research on its own right because of the pandemic's significance and worldwide impact. The severity of its impact had everything to do with how it was perceived and what kinds of actions people took in light of that perception. At the time of this speech, 100,000 people had been diagnosed with COVID-19, with 1,267 cases in the U.S. Because of the case count, the WHO declared COVID-19 a pandemic on the same day as this speech. It is worth mentioning that no sources point to the WHO declaration as the reason for a massive downturn in the stock market. Announced at a time when the New York Stock Exchange was open, there was no severe drop in the market pointing to an effect of the WHO declaration as large as the impact the following day of the president's speech. Well known pandemic conditions were already represented in the market when Trump gave his speech, as seen through high price and high stock volatility.

Planning an effective pandemic response is crucial to avoid future disasters. Researchers Yao Yeo and Bruce Ganem conclude that pandemic fatalities are not directly proportional to population size, and rather rely on a country's pandemic protocol.¹⁵ For example, Singapore, Hong Kong and Taiwan are all densely populated regions with proximity to China, yet all had low counts of new cases after the emergence of COVID-19. The authors argue that countries that acted swiftly fared far better than countries that had a delayed response. The speech studied in this paper was given at the moment when COVID-19 had been declared an epidemic of global proportions, and the speech was focused on the actions the U.S. would take in response to it.

¹⁵ Yao Yu Yeo and Bruce Ganem, "The Importance of Initial Response During Outbreaks: A Perspective From Observations on COVID-19," *Infection Control and Hospital Epidemiology* 41, no. 9 (April 20, 2020): 1119–20, <https://doi.org/10.1017/ice.2020.150>.

Since public communication and planning both play a key role in pandemic response, it is worth studying this initial response of the United States to determine whether a different kind of rhetoric might have had a different effect on how people behaved, and thus, how the pandemic progressed in this country.

Yet another reason the speech on March 11th 2020 is an especially interesting text to study is because it is Trump's first formal address on COVID-19, and the original text in which his pandemic measures were outlined. Presented in the form of an Oval Office address, not only was it the first time Trump formally spoke on COVID-19, it was his first attempt to convey early pandemic control measures. The pandemic measures outlined in the speech would go on to affect tens of millions of Americans in drastic ways. At the time, this speech was covered by every major news outlet due to its policy suggestions, and it received an overwhelmingly negative reception from its target audience.

And yet, as of right now, there is little academic focus on the March 11th, 2020 speech, much less rhetorical studies of this speech and the corresponding economic downturn. Multiple newspapers cited this speech as a major contributor to the corresponding economic downturn, but no rhetorician has yet tried to explain that downturn by analyzing the speech. By studying the primary text and its reception, I will try to answer the question: what were people reading in the speech that made them vote with their money? Answers to this question can improve our understanding of this address in particular as well as its ramifications.

With the foundational work outlined above, this paper functions as a case study of presidential rhetoric causing a downturn in the economy. This paper takes the financial market

effect as a given, building on the mainstream news coverage that points to this speech as the primary cause of that effect.

Methods

Rhetorical analysis seeks to understand the persuasive design of messages through a close reading of texts. After developing theories on what makes a text effective, a close reading of a particular text is conducted with those theories as lenses to illuminate what is going on beneath the surface of the text. In this paper, we will use an adaptation of neoclassical criticism, which establishes that the central purpose of a text is effective persuasion and examines a text to discover its use of the devices available in the particular situation into which it was inserted.

The main method used in this thesis is a form of neoclassical rhetorical analysis known as the textual-intertextual approach pioneered in *Shaping Science with Rhetoric: The Cases of Dobzhansky, Schrodinger, and Wilson*.¹⁶ In this book, Professor Ceccarelli outlines a new way of conducting the rhetorical criticism of a text. She begins with a close textual analysis that seeks to answer the question of how a text's form was designed to achieve its function. How was the text created, keeping in mind its intended use? Oftentimes, rhetoricians will narrow the focus down onto one primary text and analyze the rhetorical strategies used in that text. This creates a painting of a single moment in history and creates a microscopic view of the text. However, this method can result in a few problems. Primarily, it can result in the final analysis being quite myopic and focused on textual strategy while failing to appreciate the broader context in which the speech was given. It becomes easy to ignore differences between how the audience was

¹⁶ Leah Ceccarelli, *Shaping Science With Rhetoric: The Cases of Dobzhansky, Schrodinger, and Wilson* (University of Chicago Press, 2001).

invited to respond and its actual reception. In order to account for these and other variables, the textual-intertextual method is used.

In this thesis, the primary text is the March 11th speech. I will perform a rhetorical analysis by doing a close reading of this text, focused on minute details like word choice and argumentative structure. This will allow us to have an in-depth, microscopic understanding of the speech. However, rather than stop there, I also will examine the intertextual evidence that points to the speech's extrinsic effect. By closely reading the secondary sources that explicitly mention the primary text, we can understand how audiences received that primary text, what words they focused on and what arguments were persuasive to them. Useful information gained through this method can include the meanings of the text as conveyed by the people responding to it, which may help to explain investor behavior and consumer attitudes. Examples of intertextual material include the texts produced by reporters right after the speech was given, as well as the questions of reporters present at the press conference on March 13th during which many portions of the speech were backpaddled.

This thesis also will contain a methodological innovation to the textual-intertextual method outlined by Professor Ceccarelli. The unique component being added is authorial intertext. While the general method of textual-intertextual analysis seems to be a catch all for studying reception, in practice, it tends to focus on audience response. By broadly studying audience reception, Professor Ceccarelli studies how an audience might have been invited to respond to a specific text, therefore creating a hypothesis on why a speech had a certain effect, and then she tests that hypothesis by doing close readings of what the audience said about the text, to determine whether they interpreted the text in the way that the rhetor presumably wanted

them to. However, in this thesis, there is another type of intertext that I believe is important to focus on that should be added to the method, namely, the authorial intertext.

Throughout his administration, Trump continuously corrected people's interpretation of his speeches and words, telling the audience how they should feel in response to what he was saying. Trump was extremely vocal through both Twitter (and later, TruthSocial) and official comments in order to control the narrative of his presidency. He repeatedly wrote about how people should have reacted to his words, shared his opinions on his own speeches, and offered response to official pushback from world leaders. According to his right-wing supporters, this directness and commitment to shaping his own narrative is attractive. In their eyes, it demonstrates cutting through bureaucratic nonsense and working directly for the American people, rather than allowing the media to filter what they hear. Throughout Trump's presidency, this technique became his signature style, and is therefore worthy of study and inclusion into the intertext category of analysis. With the addition of this technique of attending to authorial reception, we seek to answer: How does the author try to frame the primary text after its delivery?

With this method of textual-intertextual analysis that attends not just to audience intertext, but also authorial intertext, the critic is attentive to a new form of intertext that could change the dominant meaning of the primary text. This method is especially useful in studies of Trump, who often clashes with the popular interpretation of his texts and even official remarks from spokespeople of his own administration. Since the author of a text is often repeatedly vocal and in a unique position to analyze their own meaning, it is useful to focus on the authorial interpretation of a text and add this component to studies of the relationship between text and

audience reception. In reality, what Trump says about his own speech has a different authority and weight to the public masses than what external sources might have to say about the speech. Therefore, this paper will also include what Trump said he meant in the speech, such as the clarifications given by administration voices in subsequent press conferences and formal remarks given by his senior staffers.

By adding a focus on authorial interpretation, and exploring how that also has an effect on the audience, we add an important new component to a study of the relationship between text and intertext. In this case, it is noteworthy how the author's reading of the text clashes with a common sense understanding of what the original text meant to such a high degree that it creates more cycles of uncertainty and high volatility. In this study, Trump's tweets will be classified as authorial intertext, because they are documents created by the speaker that directly mention the primary text and his interpretation of it.

Using the rhetorical criticism method of textual-intertextual analysis, expanded to include authorial reception rather than just audience reception, I study the rhetoric used to convey the Trump administration's early response to the pandemic.

I have set some boundaries on the intertext category consulted in this thesis. First, the intertextual material must be published within one week of the original address, in order to constrain our focus to immediate reception. Second, for something to count as a piece of intertext relevant to this study, it must explicitly mention the speech and be relevant to its economic impact. I set this second condition, because my thesis is tracing the relationship between the speech and the markets, so economic effects are the focus of both my close textual analysis and my examination of the intertext. With respect to authorial intertext, I am including statements by

the author Donald J. Trump himself, as well as voices of the Administration that speak on his behalf, such as Vice President Mike Pence and Press Secretary Stephanie Grisham. It is true that in the past, Trump has clashed with official remarks by members of his cabinet. However, in this instance these officials are speaking as mouthpieces of his administration, deployed to help interpret the speech for the audience. Observing the rhetoric of these officials helps us to understand the reception of the speech. Since an American presidential administration works both through the chief executive and through proxies who speak for the president, authorial intertext includes both the words of Trump on his speech, as well as the words of others who speak in his name.

Textual-Intertextual Analysis

Before even beginning a textual analysis, we know from the intertext that this speech was interpreted as problematic. Economic experts commented on the speech, saying that it was virtually a flashing sign to sell to investors because of its lack of clarity and alarming content. For example, Rob Carnell, the chief Asia-Pacific economist at ING in Singapore said that “I am just left speechless for Trump to say this is the most comprehensive plan...it’s just a PR stunt.”¹⁷ Investor behavior is further explained by Philip N. Jefferson, the Vice Chair of the Federal Reserve Board of Governors. Discussing COVID-19, he echoed that the pandemic was a time of huge economic uncertainty, and explained why investors responded a certain way to it. He said that investors require compensation for higher risk and uncertainty through higher risk premia,

¹⁷ Quoted in Anshuman Daga and Tom Westbrook, “Sell Signal: Trump’s Shallow Virus Plan Blows Floor Out of Markets,” *Reuters Japan*, March 12, 2020, <https://jp.reuters.com/article/us-health-coronavirus-markets-trump/sell-signal-trumps-shallow-virus-plan-blows-floor-out-of-markets-idINKBN20Z126/>.

which leads to higher equity market volatility and illiquidity. In an already uncertain situation, if Trump's speech increased uncertainty further, we would expect the result to be a decline in the market. In the following close textual-intertextual analysis, I will show how Trump's speech did just this – increased uncertainty around economic matters.

I say increased because economic uncertainty was already present in the rhetorical situation. Trump's speech came at a fragile time of existing economic turmoil. Factors leading to an unstable market include the divided and chaotic news cycle around COVID-19, the push for expansionary monetary policy, and consumer uncertainty. Because of these factors, all reports from economic publications decisively point to a downturn of the U.S. economy according to financial and uncertainty measures. The premise that the U.S. economy was going through financial turmoil can be taken as a given.

The U.S. Bureau of Economic Analysis (BEA) reported a substantial decline across key economic indicators in March; gross domestic product (GDP) decreased by 4.8%, personal income decreased by 2%, and wages and salaries decreased by 3.1% in the first quarter of 2020.¹⁸ Moreover, uncertainty was already prevalent in the market. The IMF calculated through option-implied volatility in equity markets that there was higher uncertainty about the future.¹⁹ Because of this uncertainty due to pandemic events, implied volatility rose. Accordingly, investors became more risk averse and changed their investment behavior. So, credit spreads grew wider, and investors allocated to safer assets. This investment behavior and data illustrates

¹⁸ Gross Domestic Product, 1st Quarter 2020 (Advance Estimate), April 29, 2020.

<https://www.bea.gov/news/2020/gross-domestic-product-1st-quarter-2020-advance-estimate>.

¹⁹ Tobias Adrian, "Monetary and Financial Stability During the Coronavirus Outbreak," IMF, March 11, 2020, <https://www.imf.org/en/Blogs/Articles/2020/03/11/blog030920-monetary-and-financial-stability-during-the-coronavirus-outbreak>.

the turmoil and uncertainty that the market was already experiencing at the time the speech was given.

Vague Claims

Trump's claims of confidence and reassurance in this speech were ineffective not only because of the climate in which the speech was given, but also because of significant rhetorical mistakes on his part. Notably, vague claims, or those with an unspecified meaning, created huge room for interpretation for the audience.

First, let us consider some of the vague claims he made about the situation itself. Trump said in the speech that, "This is not a financial crisis; this is just a temporary amount of time that we will overcome together as a nation and as a world." He also said, "We have the greatest economy anywhere in the world, by far." These statements are clearly made in order to reassure the American public and inspire confidence in America in the face of the pandemic. If Americans believe that we do have the greatest economy and are not on the brink of a financial crisis, then people will behave accordingly and remain calm. And to Trump's supporters, it is easy to believe these statements, buying into the idea that Trump has created economic policies that will protect the nation, or that he will be the one to get us through what even he concedes is a national emergency. But when reading this speech through the eyes of an American that is not in his political group, these reassuring claims fall short because they are not supplemented with credible information. Claims of confidence are made best when supplemented with evidence and clear paths forward.

In addition to being vague about the state of the economy, the remarks by President Trump contain a great deal of vagueness when it comes to outlining a plan to combat COVID-19

and its effects on the nation. A close textual analysis of the speech reveals many instances where this can be observed. For example, Trump stated “I will soon be taking emergency action, which is unprecedented, to provide financial relief.” By using the pronoun “I,” we have to assume that he was referring to himself and the executive branch. However, Trump did not clarify in the speech what his emergency action was, only offering that it would be “targeted for workers who are ill, quarantined or caring for others due to the coronavirus.” In the next sentence, he says that he will be “asking Congress to take legislative action to extend this relief.” This can become puzzling for the audience. Are the unprecedented emergency actions the provisions already in place and will he simply ask that these be extended through Congress? Or will there be new domestic policies created? And if it is the latter, why ask Congress to extend this relief before even giving it a chance to work? Each small detail of policy differs in its implementation and effect and has drastically different implications on the financial markets. The unspecified meaning of “emergency action” mentioned in Trump’s speech meant that there was a resounding lack of clarity to listeners, who were left waiting for further clarification.

Trump did provide some clarification in a speech two days later, when he announced that Health and Human Services could change laws and regulations in response to the pandemic, such as the waving of interest on federal student loans and the making of oil purchases for the U.S. strategic oil reserve. The market reacted favorably to this statement, with the Dow Jones up 2000 points or 9.4 percent. As CNBC reported, the Dow Jones surged as investors cheered the possibility of fiscal stimulus from the U.S. government.²⁰ As investor Alexander Craig from

²⁰ Adam Edelman, Peter Alexander, and Kristen Welker, “Trump Declares National Emergency to Combat the Coronavirus,” NBCNews.com, March 13, 2020. <https://www.nbcnews.com/politics/donald-trump/trump-hold-friday-afternoon-press-conference-coronavirus-n1157981>.

Tiverton Trading said, “We finally got a grownup response from this White House. It looks like there’s going to be actual stimulus, which is what was needed because this crisis was all about confidence.”²¹ It is possible that the bounce back was a dead cat bounce, one where stocks rebound a day after a big decline regardless. But Katie Nixon, the chief investment officer at Northern Trust Wealth Management said that it was probably more than that. “Maybe it reflects a little more optimism that we’re getting a fiscal impulse that will help support...the market while we get through this transitional period of economic weakness.”²² With this example, we see how Trump’s assurances when coupled with details and concrete politics can be very successful in addressing the crisis.

But during the March 11th speech, an already panicked audience picked up on Trump’s lack of evidence to support his claims that we would weather this storm. For example, David Frum wrote in the *Atlantic* that “Trump’s speech was the worst action yet in a string of bad actions. He offered no guidance or policy on how to prevent the spread of the disease inside the U.S.”²³ The lack of clear steps forward instilled fear into investors, making them believe that the United States was unprepared and did not have a plan to combat COVID-19. Stephen Innes, a market strategist at AxiCorp echoed a similar sentiment, telling CNN that “traders are

²¹ Quoted in Thornton McEnery, “Dow Surges Nearly 2,000 Points after Trump Declares Coronavirus National Emergency,” *New York Post*, March 13, 2020. <https://nypost.com/2020/03/13/dow-surges-nearly-2000-points-after-trump-declares-coronavirus-national-emergency/>.

²² “Stocks Surge on Wall Street, Almost Erasing Thursday’s Historic Dow Plunge,.” *Chicago Tribune*, March 13, 2020. <https://www.chicagotribune.com/2020/03/13/stocks-surge-on-wall-street-almost-erasing-thursdays-historic-dow-plunge/>.

²³ David Frum, “Trump Is Ensuring the Worst Possible Outcome for the Coronavirus Crisis,” *The Atlantic*, March 12, 2020, <https://www.theatlantic.com/ideas/archive/2020/03/trump-ensuring-worst-possible-outcome-coronavirus-crisis/607867/>.

hammering the sell button now thinking the U.S. government has fallen well behind the curve in its [coronavirus] response.”²⁴

The Chief Financial Economist at MUFG Union Bank took the lack of specificity as evidence that the White House had no plan. Chalking up to overoptimism the few highs the market experienced prior to the speech, he said, “The market was overly hopeful thinking a stimulus package was coming, thinking that Washington was going to ride to the rescue.”²⁵ Because of Trump’s notable lack of a clear proposal in his speech, investors had little to go on and were left stranded. Notably, despite Trump promising a “very dramatic” fiscal stimulus bill, he did not outline a specific emergency bill he was signing or a measure that investors could latch on to during his speech, hitting investors hard. Jeffery Halley, a senior currency analyst at OANDA seconded the statements of other experts after this speech, saying that “The problem facing markets today...is that precisely zero concrete policies have emerged.”²⁶ Intertext such as this shows how Trump’s vague claims supplemented with little evidence created credibility issues and provided no clarity for the audience.

In the minds of investors, the speech should have outlined concrete measures and calmed the American public, something that they were waiting on. As a chief economist from Leuthold Group said, “I think what we need is somebody to calm us down, like our mom and dad tell us it’s gonna be OK.”²⁷ Quincy Krosby, a chief market strategist at Prudential Financial took it one

²⁴ Duffy, Pham, and Borowitz, “US Stocks Enter Bear Market.”

²⁵ Quoted in Noah Manskar, “Dow Drops More Than 1,200 Points as Wall Street Awaits Coronavirus Response,” *New York Post*, March 11, 2020, <https://nypost.com/2020/03/11/dow-drops-more-than-700-points-as-wall-street-awaits-coronavirus-response/>.

²⁶ Quoted in Noah Manskar, “Stock Market Sinks Into Bear Territory as Coronavirus Declared a Pandemic,” *New York Post*, March 11, 2020, <https://nypost.com/2020/03/11/marts-sink-into-bear-territory-as-coronavirus-declared-a-pandemic/>.

²⁷ Quoted in McEnery, “Dow Surges Nearly 2,000 Points.”

step further, stating that “We don’t know in this pyramid of uncertainty under the coronavirus what happens to the economy, what happens to consumer spending, what happens to (capital expenditures). The only thing that can change this pyramid is what we hear from the government in terms alleviating some of the pain.”²⁸

Alternative Facts: False Claims

Alongside vague claims, characterized as having unspecific meaning, Trump made numerous ambiguous claims, or ones that have two conflicting meanings. For example, when Trump did mention a decisive action, such as co-payments for coronavirus treatments, it was later clarified by the Administration to mean something else entirely. In the speech, Trump said, he “met with the leaders of health insurance industry who have agreed to waive all copayments for coronavirus treatments, extend insurance coverage to those treatments, and to prevent surprise medical billing.” But after the speech, his administration made it clear that he meant they had agreed to waive copayments for coronavirus *testing*, and not treatments. After the speech was over, people confused about what the new policies looked like were met with more confusion when senior White House officials backtracked what Trump said in the speech earlier.

Another example of this is when, in the speech, Trump said “to keep new cases from entering our shores, we will be suspending all travel from Europe to the United States for the next 30 days. The new rules will go into effect Friday at midnight.” To clarify what he meant by the suspension of travel, he offered a categorical statement in the speech that the borders will be closed: “these prohibitions will not only apply to the tremendous amount of trade and cargo, but

²⁸ Quoted in Jessica Bursztynsky, “Coronavirus Fallout: At Least 150 Companies Have Warned of Earnings Hit,” CNBC, March 17, 2020. <https://www.cnbc.com/2020/03/11/coronavirus-at-least-150-companies-have-warned-investors.html>.

various other things as we get approval. Anything coming from Europe to the United States is what we are discussing.” This, of course, was not the policy the nation was actually adopting, which his Administration had to later clarify, while pretending that he had never said otherwise.

Prior to the speech, Trump tweeted that he was “fully prepared to use the full power of the Federal Government to deal with...CoronaVirus.”²⁹ What “full power” meant was not formally defined in this tweet and was also not clarified in the speech itself. Listeners were left to believe that the “new rules” to keep new cases from entering our shores and a forthcoming stimulus package were perhaps what he meant. At 10:13 PM EST, Trump reinterpreted his travel ban, the first of many clarifications that would come. He tweeted that “the restriction stops people, not goods,”³⁰ whereas in the address he clearly stated that “these prohibitions” would cover “anything coming from Europe to the United States” including “trade and cargo.” This clarification that he meant only to stop people from entering the country came before markets reopened the following day, pushing the message that there will be no restriction on goods as economists feared. Now, the markets were responding to the chaos of competing statements about the policy rather than the policy itself. In other words, they were responding to the failure of the speech.

It must be emphasized that these are two drastically different policies. In the speech, it is a broad and ambiguous category of things that would be restricted under the ban. It would apply to trade, cargo, all travel from Europe to the United States, and also “various other things.” This

²⁹ Donald Trump (@realDonaldTrump), “I am fully prepared to use the full power of the Federal Government to deal with our current challenge of the CoronaVirus!”, Twitter, March 11, 2020, 12:18 PM, <https://twitter.com/realDonaldTrump/status/1237820230296010752>

³⁰ Donald Trump (@realDonaldTrump), “Hoping to get the payroll tax cut approved by both Republicans and Democrats, and please remember, very important for all countries & businesses to know that.”, Twitter, March 11, 2020, 7:13 PM <https://twitter.com/realDonaldTrump/status/1237924658185469954>

ambiguous catch-all policy is concerning, especially to European leaders who had to comply with the sudden new regulations. With the authorial intertextual clarification, a massive economic crisis could be averted by the realization that we would be continuing trade with our biggest allies. But the damage to confidence in the Administration's policy was already done.

Those who expected a travel ban and were somewhat reassured by the correction that it would stop people and not goods were still surprised by the lengths that Trump went to in his speech to suggest otherwise, and they were left stranded without answers from the State Department and U.S. Customs and Border Protection to confirm which of the two policies (the one in the Oval Office speech, or the one tweeted on social media) was accurate. Clarification finally came when Mike Pence appeared on March 12th, clarifying that U.S. citizens would be able to return to the states, and they would be taken through one of 13 airports before entering a self-quarantine period. He did not comment on letting in goods, instead focusing on testing capacity. He denied that the speech was creating confusion, saying "I don't think there was confusion, the President took another historic step."³¹ However, this clarification was the opposite of another earlier one, when a White House official told Fox News that those transporting goods "will not be admitted into the country, but the goods will be."³² In this version, people would not be admitted to the country, but presumably trade and cargo would be allowed in. Not only did the speech create confusion, even the clarifications were not concrete and equivalent, with different senior officials outlining different contradictory policies.

³¹ Quoted in Veronica Stracqualursi, "Pence: 'I Don't Think There's Confusion' After Clarifications to Trump's Coronavirus Address," CNN, March 12, 2020, <https://www.cnn.com/2020/03/12/politics/mike-pence-coronavirus-trump-response-cnntv/index.html>.

³² Quoted in Vandana Rambaran and Edmund DeMarche, "Trump Announces Travel Ban From Europe Amid Growing Fears of Coronavirus," *Fox News*, March 12, 2020, <https://www.foxnews.com/politics/trump-oval-office-address-travel-ban-europe>.

Another clarification came on March 12th, when Trump held a bilateral meeting with Leo Varadkar, the Prime Minister of Ireland. In this meeting, a few important points were revealed. First, Trump did not explicitly confirm if Ireland was included in the travel ban. While his Oval Office speech of March 11th excluded the United Kingdom, he said nothing about a country that shared a border with the U.K., namely Ireland, was still a part of the EU, but physically connected to the U.K. When outright asked if Ireland was excluded from the travel ban, he said, “I think it was made very clear last night who is and who isn’t. We’ll be discussing some other moves that we’re going to be making... You have some areas that are very heavily infected, and you have some areas that aren’t, frankly. But we do need separation for a little period of time, in some cases.”³³ To this unclear response, the Prime Minister chose to pick his own meaning when he replied, “Just saying that the President has excluded Ireland from the travel ban.” Next, Trump cited the strong borders of the UK as the reason for why they were excluded from the travel ban. Trump said, “One of the reasons the UK basically, has been: It’s got the border; it’s got very strong borders... They don’t have very much infection at this point, and hopefully they’ll keep it that way.” This reasoning is illogical if Ireland is included in the ban, as Ireland is part of the EU, and it, like the UK, is an island; its only border is with Northern Ireland, again part of the UK. Therefore, if the UK was exempted due to its borders, Northern Ireland should have been included in that category because of its equivalent borders. But border strength is not the only step to containing the coronavirus, especially as nearly all countries had provisions to return their own citizens, which would do nothing to prevent the domestic spread of the virus.

³³ “Remarks by President Trump and Prime Minister Varadkar of Ireland Before Bilateral Meeting – the White House,” The White House, March 12, 2020, <https://trumpwhitehouse.archives.gov/briefings-statements/remarks-president-trump-prime-minister-varadkar-ireland-bilateral-meeting-3/>.

The most important thing to take from this confusing authorial intertext is that these clarifications given in such quick succession would continue to create uncertainty, with the policy changing after every clarification.

Diplomacy Fail: Lack of International Cooperation

During March 11th and the subsequent week, Trump fluctuated between being very supportive of an international approach to COVID, while at other times being very isolationist. Three hours before delivering the speech, Trump tweeted that “we have a common enemy, actually, an enemy of the world, the Coronavirus.”³⁴ An average reader of this tweet might reasonably assume that Trump would carry this thread through his Oval Office address that same day. However, during the speech Trump did the exact opposite. He alienated the U.S. from China, framing the U.S. as a victim largely of China’s actions, setting up the idea that America must act alone. Since China is the original perpetrator of this virus, he implied, it is justified for America to act alone and make foreign policy decisions in its own self-interest. During the speech, Trump calls COVID-19 a “foreign virus,” – implying that the U.S. must take the most aggressive and comprehensive effort to defeat it, as it would any foreign invasion. There is no mention of shared responsibility or indication of cooperative action with other countries. As Americans, he implies, we need to focus on protecting the American people.

Trump then proceeds to outline the vague travel ban on China and the EU, saying that he is doing this because “the European Union failed to take the same precautions.” Coupled with the words “foreign virus,” Trump uses other nations’ “failed” coronavirus response as a reason to

³⁴ Donald Trump (@realDonaldTrump), “The Media should view this as a time of unity and strength. We have a common enemy, actually, an enemy of the World, the CoronaVirus”, Twitter, March 11, 2020, 3:04 PM, <https://twitter.com/realDonaldTrump/status/1237861968721010689>

close borders from other countries and prioritize America instead. What started as a travel ban seems to morph here into a total quarantine of both people and goods. Unsurprisingly, the market did not react well to the prospect of international commerce from Europe to the United States being shut down for 30 days. Contributing to this confidence-shattering effect was the fact that the Administration had not previewed either policy (the errant one in the speech, or the corrected one in the President's tweet) with its international allies. As one European diplomat responded, "There was no heads-up, no coordination as the President claimed."³⁵

Many news outlets picked up on the president's notable lack of cooperation, interpreting the speech to be alienating to other countries during a time of much needed collaboration, even seeing it as pushing an isolationist agenda. The next day, CNN said that this speech featured "the same sort of scapegoating and barely veiled xenophobia that Trump has reached for in other moments of crisis."³⁶ This theme of isolation and unilateral international action was solidified when observing European leaders' response to the speech. In particular, the President of the European Council, Ursula von der Leyen and President Charles Michel issued an official statement on March 12th denouncing the travel ban. They echoed disappointment at the unilateral action, saying "The European Union disapproves of the fact that the U.S. decision to impose a travel ban was taken unilaterally and without consultation."³⁷ This statement is the first confirmation that no consultation was given. Such go-it-alone action is a very dangerous move in

³⁵ Quoted in Marine Strauss and Andrea Shalal, "EU Disapproves of U.S. Travel Ban, 'Taken Unilaterally and Without Consultation,'" Reuters, March 12, 2020, <https://www.reuters.com/article/idUSKBN20Z11ID/>.

³⁶ Stracqualursi, "Pence."

³⁷ "Statement by Presidents Charles Michel and Ursula von der Leyen with the Croatian Presidency on US travel ban related to COVID-19," Council of the European Union, <https://www.consilium.europa.eu/en/press/press-releases/2020/03/12/statement-of-presidents-charles-michel-and-ursula-von-der-leyen-on-us-travel-ban-related-to-covid-19/>

the midst of a global crisis, since the EU is a global superpower and one of the U.S.'s most powerful allies. In other words, it was not the policy itself that caused the chaos, but the fact that Trump announced the policy for the first time in his Oval Office speech, rather than introducing it through standard diplomatic channels. The same day, the European ambassador said, "We feel there should have been cooperation rather than action that targets one continent."³⁸ In an obvious reference to the U.S. travel ban, this quote exemplifies the attitude of the European countries to the ban. They were surprised that they were not consulted, affirming that they did not see it coming, and were shocked that Trump had chosen to take such an extreme action. Daniel Fried, the former U.S. ambassador to Poland told BBC that "Anti-EU bashing is indulgence."³⁹ The rollout of this policy painted a narrative in which the EU is lacking in safety protocols and is a threat to the national security of the U.S., used by Trump to shift the blame and draw attention away from his own COVID denial and tepid early response, giving Americans something else to focus on. The content of the policy amplified concerns, but was only worsened by Trump's presentation of said policy. Had Trump gone through official channels, like alerting our allies with enough time and trying for one unified global response, and clear rationale, it is likely that the policy would have had much less of an impact on the market. Instead, Trump chose to introduce an isolationist and America-first approach in the speech itself, putting cooperation at the bottom of his priority list.

Conclusion

³⁸ Quoted in "Coronavirus: EU Condemns Trump Travel Ban on 26 European Countries," *BBC*, March 12, 2020, <https://www.bbc.com/news/world-us-canada-51857462>.

³⁹ Quoted in "Coronavirus: EU Condemns."

In conclusion, this paper has examined Trump's March 11th, 2020 Oval Office Address by conducting a close reading of the primary text and intertextual material analyzing why the financial markets had their worst day since the 1987 crash. Met with a negative response from both sides of the aisle, investors and economists claimed that this speech failed to accomplish its mission of calming the American public and create sound pandemic policy. This thesis answers the question of what people were reading in the speech that could have pushed them towards this economic behavior. Conducting a rhetorical analysis of the speech through an innovation on the textual-intertextual method, this paper analyzes Trump's speech, what people said about it at the time, and how the Trump administration spun it through social media and mainstream news. Reading these secondary sources, we can understand its broader reception especially as it relates to investor behavior and consumer attitudes. This study finds that Trump's vague claims, false statements and lack of international cooperation all contribute to the economic uncertainty that resulted from this speech.