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# Trump Cabinet members target Jerome Powell for weak economy, August jobs numbers

Bessent, Chavez-DeRemer and labor experts urge central bank to change course



By **Kristen Altus** | **FOXBusiness**

## Labor secretary on August jobs report: We're doing everything we can for this workforce

Labor Secretary Lori Chavez-DeRemer discusses the weak August jobs report, the impact of tariffs on the jobs market and concerns regarding the use of AI.

Labor experts, including Trump administration top Cabinet members, are blaming the Federal Reserve and Chairman Jerome Powell for the latest disappointing jobs report and signs of a weakening economy.

"Jerome Powell should be embarrassed by this report because he has not done his job," U.S. Labor Secretary Lori Chavez-DeRemer said [on FOX Business' "Varney & Co."](#) Friday.

Treasury Secretary Scott Bessent published a Wall Street Journal op-ed Friday, arguing that the Fed's expansion of its policy toolkit after the Great Recession has weakened its ability to manage the economy.

"The U.S. faces short- and medium-term economic challenges, along with the long-term consequences of a central bank that has placed its own independence in jeopardy,"

Bessent wrote. "The Fed's independence comes from public trust. The central bank must recommit to maintaining the confidence of the American people."

## **TRUMP'S PICK FOR THE FED BOARD COULD JOIN IN TIME FOR KEY RATE CUT VOTE**

"I agree with Labor Secretary Lori Chavez-DeRemer on her comments that it is time for the Fed to take action and lower interest rates," Employco USA President Rob Wilson told Fox News Digital. "The number of job openings available is the lowest in 10 months. With an interest rate cut, you will see businesses start to hire in larger numbers. The lower rates will have a ripple effect across the economy."

Jerome Powell, chairman of the U.S. Federal Reserve, during a news conference after a Federal Open Market Committee meeting in Washington, D.C. (Al Drago/Bloomberg via Getty Images / Getty Images)

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The U.S. economy added jobs [at a slower pace in August](#). The Labor Department on Friday reported that employers added 22,000 jobs last month, a figure well below the 75,000 estimate of economists polled by LSEG.

"Everybody has done their job — the President in his tariff talks, the trade deals, the trade deficit, making sure that that is for the American people, that he has balanced that. Congress did their part in passing the 'one big, beautiful bill,' the working tax cuts for Americans," Chavez-DeRemer said. "But Jerome Powell has not done his job. He needs to lower that interest rate."

"August's weak jobs numbers are a clear signal that interest rates may be too high, as President Trump has asserted," Wilson added. "Higher interest rates are slowing economic growth, as intended by the Fed, but the jobs numbers are weak enough to justify a reconsideration of policy."

### **The Fed has strayed from core mission, Treasury Secretary Scott Bessent says**

U.S. Treasury Secretary Scott Bessent on U.S.-China relations, President Donald Trump firing Fed Gov. Lisa Cook, the administration's handling of the Federal Reserve and more

during a one-on-one interview with FOX Business' Maria Bartiromo.

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The unemployment rate also rose to 4.3% in August in line with expectations and up from the 4.2% reading in July.

"Unemployment is still holding steady. Statistically, it's non-existent. So that's the key to the American people, is that we're leaning in, we're doing everything we can for this workforce," Chavez-DeRemer said.

"And now this is one more thing that the Fed can do, and Jerome Powell hasn't done his job," she reiterated. "And the president, that's why he's been so vocal about this. We need those interest rates down."

"The Fed must reestablish its credibility as an independent institution focused solely on its statutory mandate of maximum employment, stable prices and moderate long-term interest rates."

- Scott Bessent

The [Federal Reserve declined](#) Fox News Digital's request for comment.

Meanwhile, President Donald Trump took aim at the central bank and its leader on Truth Social.

"Jerome 'Too Late' Powell should have lowered rates long ago. As usual, he's 'Too Late!'," Trump posted in reaction to the August jobs report.

"The Federal Reserve's strategy to cool the economy with higher rates is working – but perhaps too well," Wilson said. "With inflation still running at about 2.7% headline and around 3% core, maintaining such tight monetary policy may push the economy from controlled cooling into excessive contraction."

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"It may be time for the Fed to strike a better balance between tempering inflation and preserving hiring momentum," he added.

"Overuse of nonstandard policies, mission creep and institutional bloat threaten the central bank's independence. The Fed must change course," Bessent added in his op-ed.

"To safeguard its future and the stability of the U.S. economy, the Fed must reestablish its credibility as an independent institution focused solely on its statutory mandate of maximum employment, stable prices and moderate long-term interest rates."

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Secretary Chavez-DeRemer admitted the weak jobs report "underperformed" but pointed to some positive takeaways.

"Almost a half a million jobs have been created since the president took office. It's gonna take some time," she said. "What I do love to see is those 100,000 jobs of federal workers that have gone down, and we are gonna grow the private sector jobs. Eighty-four percent of the jobs out of the half a million are from the private sector, and we want to continue to see that investment by those businesses."

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*FOX Business' Eric Revell contributed to this report.*