

# Trump Lashes Out at Fed Chair for Not Cutting Rates Faster

*The president said that Jerome Powell has been too hesitant to cut interest rates, and “he should certainly lower them now.”*

**By Colby Smith**  
**New York Times**

President Trump lashed out at Jerome H. Powell, the chair of the Federal Reserve, on Thursday, saying “Powell’s termination cannot come fast enough!”

Mr. Trump’s ire followed remarks by [Mr. Powell on Wednesday](#), in which he warned in a speech that tariffs could create a “challenging scenario” for the central bank by putting its two main goals — stable inflation and a healthy labor market — in tension.

Mr. Powell reiterated that the Fed could afford to be patient with its interest rate decisions until it had more clarity about Mr. Trump’s policies. The Fed chair’s emphasis on the need to ensure that a temporary rise in inflation from tariffs did not become a more persistent problem suggested that the bar for further rate cuts was high.

The president has been pushing for Mr. Powell to cut rates. On Thursday, he referenced expectations that the European Central Bank would lower borrowing costs, saying the Fed should do the same.

“The ECB is expected to cut interest rates for the 7th time, and yet, ‘Too Late’ Jerome Powell of the Fed, who is always TOO LATE AND WRONG, yesterday issued a report which was another, and typical, complete ‘mess!’, ” Mr. Trump wrote. “Oil prices are down, groceries (even eggs!) are down, and the USA is getting RICH ON TARIFFS. Too Late should have lowered Interest Rates, like the ECB, long ago, but he should certainly lower them now. Powell’s termination cannot come fast enough!”

The Fed seeks to operate independent of political influence, something that Mr. Powell on Wednesday said was a “matter of the law.” Presidents have long sought to pressure central bank officials, but the fear across Wall Street and Washington is that Mr. Trump will seek to undermine the central bank’s independence in a more permanent way.

The top concern is that he will try to remove Mr. Powell from his position before his term as chair expires in May 2026. Mr. Trump has already signed an executive order trying to seize more control over the central bank’s responsibilities related to bank regulation. He has also taken more direct aim at other independent agencies, including firing officials at the Federal Trade Commission, the Merit Systems Protection Board and the National Labor Relations Board.

Earlier this month, Chief Justice John G. Roberts Jr. temporarily [allowed the Trump administration to remove](#) the leaders of two independent agencies while their challenges to their dismissals move forward in court.

The chief justice, acting on his own, issued an “administrative stay,” an interim measure intended to give the justices some time while the full Supreme Court considers the matter.

Mr. Powell on Wednesday said he did not expect the court’s decision to apply to the Fed, but said the central bank was “monitoring carefully” the situation.

Mr. Trump spent much of his first term jawboning Mr. Powell and the Fed to cut rates, calling the Fed chair an “enemy” and central bankers “boneheads.” While Mr. Trump elevated Mr. Powell to chair, the president soon soured on his choice as the Fed held rates steady.

After Mr. Trump won a second stint in November, Mr. Powell delivered a stern “no” when asked by a reporter if he would resign if the president asked him to.

He delivered a more emphatic response when pressed on whether the president had the legal authority to fire him. “[Not permitted under the law](#),” Mr. Powell said.

Policymakers at the European Central Bank are expected to cut rates for a seventh consecutive meeting on Thursday, as optimism about an economic recovery in the eurozone has given way to concerns about the ramifications of Mr. Trump’s trade policies.

While European policymakers are concerned about price pressures, they have been more confident about inflation returning to their 2 percent target and more vocal about the weakness in the economy.

*Eshe Nelson contributed reporting.*