

# LARRY KUDLOW AT THE NATIONAL ECONOMIC COUNCIL

## Highlights:

- Larry Kudlow was appointed by Trump as director of the National Economic Council (NEC).
- Larry Kudlow made several false statements while he was the NEC director.
  - Kudlow defended Trump's Tax Cuts And Jobs Act (TCJA) with false claims about the deficits and economic growth.
    - Kudlow falsely claimed the TCJA would pay for itself and decrease the deficit.
  - Kudlow said the U.S. deficit was "coming down rapidly", a fact check revealed that was not true.
  - Kudlow made false assertions about the impact of the United States-Mexico-Canada Agreement (USMCA) on the U.S. economy.
  - Kudlow falsely claimed the Trump administration had contained the coronavirus in February 2020.
- Larry Kudlow jumped to entertain financial policy based on Trump's feelings.
  - Kudlow wanted to regulate Google based on an accusation from Trump.
- Larry Kudlow dismissed the financial well-being of workers during the Trump administration's government shutdown.
- Larry Kudlow attacked Trump's then-U.N. ambassador, Nikki Haley.
  - Kudlow said Haley was confused when she announced sanctions against Russia.

## Larry Was Appointed By Trump As Director Of The National Economic Council (NEC)

### **MARCH 2018: KUDLOW WAS APPOINTED TO REPLACE GARY COHN AS NATIONAL ECONOMIC COUNCIL DIRECTOR.**

**March 2018: Kudlow Said He Could Not "Wait To Start" As Director Of The National Economic Council, He Was Appointed By Trump To Replace Cohn.** According to CNBC, "Larry Kudlow will take the job of top economic advisor to President Donald Trump, replacing Gary Cohn. On Wednesday, Kudlow and the White House confirmed the economist and senior CNBC contributor accepted the post of National Economic Council director. The president offered Kudlow the job on Tuesday night after other conversations between the pair on Sunday and Monday. 'I've known him and interviewed him for over 20 years. I'm very comfortable with him and I can't wait to start,' Kudlow told CNBC." [CNBC, [3/14/18](#)]

## Kudlow Made Several False Statements While He Was The NEC Director

### **KUDLOW DEFENDED TRUMP'S TAX CUTS AND JOBS ACT (TCJA) WITH FALSE CLAIMS ABOUT THE DEFICIT AND ECONOMIC GROWTH**

#### **Kudlow Attacked The Congressional Budget Office For Predicting That The TCJA Would Increase The Deficit By Over \$1 Trillion**

**The Congressional Budget Office Predicted That The TCJA Would Cost Over \$1 Trillion.** According to the Washington Post, "The CBO said the tax law will cut government revenue by \$1.8 trillion over the next 10 years, or by \$1.3 trillion when factoring in potentially higher growth spurred by the law." [Washington Post, [4/17/18](#)]

**Kudlow Said To "Never Believe" The Congressional Budget Office Because They Were "Always Wrong."** According to the Washington Post, "President Trump's top economist blasted the Congressional Budget Office on Tuesday, dismissing the scorekeeper's recent projections that the Republican tax law would push the nation's annual deficit over \$1 trillion. 'Never

believe the CBO. Very important: Never believe them,' Larry Kudlow, director of Trump's National Economic Council, said during an interview on 'Fox & Friends.' 'They're always wrong, especially with regard to tax cuts, which they never score properly.'" [Washington Post, [4/17/18](#)]

### **Kudlow Falsely Claimed That The TCJA Would Pay For Itself And Decrease The Deficit**

**Kudlow Claimed That The TCJA Would Bring In Enough New Tax Revenue To Reduce The Deficit.** According to the Washington Post, "Larry Kudlow, director of the White House's National Economic Council, said on Fox Business that stronger economic growth was creating enough new tax revenue to bring down the deficit. 'The deficit — which was one of the other criticisms [of the GOP tax law] — is coming down, and it's coming down rapidly,' Kudlow said. 'It's throwing up enormous amounts of new tax revenue.' Kudlow clarified to The Washington Post on Friday afternoon that he was referring to his expectations about future deficit levels, not arguing that the deficit had already come down. (The deficit from January through April was \$161 billion, according to Treasury, up from \$135 billion at the same point last year.) 'The economy is so strong right now it's going to produce lower deficits. I probably should have said future deficits,' Kudlow said." [Washington Post, [6/29/18](#)]

**Kudlow's Claim Was Contradicted By White House Data Showing That The Deficit Was Increasing.** According to the Washington Post, "Official White House data suggest deficits are increasing, too. The White House's Office of Management and Budget says the deficit is rising from \$665 billion in 2017 to \$832 billion in 2018, and will approach \$1 trillion annually in 2019. 'Deficits are not going down. They are going up,' said Marc Goldwein, senior vice president of the Committee for a Responsible Federal Budget, a nonpartisan think tank that advocates for budget discipline." [Washington Post, [6/29/18](#)]

*Kudlow Falsely Claimed That The TCJA Had Paid For Itself In Its First Year*

**Kudlow Falsely Claimed That Tax Revenue From The TCJA Had Paid For Itself In Its First Year.** According to RealClearPolitics, "National Economic Council Director Larry Kudlow discusses President Trump's tax law, the booming U.S. economy and the rising national debt on FOX Business Network. 'We've argued with the improvement in economic growth from less than 2% to well over 3%, near 4%, that growth and revenues from incomes and more people working is basically financed the business tax cut. The tax cut has paid for itself already barely through the first calendar year,' Kudlow told FBN's Trish Regan. 'If we can keep the economy growing at 3% or better, according to the CBO, over ten years... that would generate... 3.5 trillion dollars of additional deficit reduction, just because of the increase in growth.'" [RealClearPolitics, [11/15/18](#)]

**Contrary To Kudlow's Claim, Federal Tax Revenue Fell In The First Year After The TCJA.** According to the New York Times, "Data released this week by the budget office provides the first complete picture of federal revenues for the 2018 calendar year, when the tax cuts were in full effect. (The government's 2018 fiscal year included three months from the end of 2017, when most of the tax cuts were not in effect.) In the inaugural year of the tax cuts — with economic growth accelerating and the jobless rate falling to an 18-year low — federal revenues from corporate, payroll and personal income taxes actually fell. That's true whether you adjust revenues and growth for inflation — or not." [New York Times, [1/11/19](#)]

### **KUDLOW SAID THE U.S. DEFICIT WAS "COMING DOWN RAPIDLY", A FACT CHECK REVEALED THAT WAS NOT TRUE**

**Kudlow: "The Deficit, Which Was One Of The Other Criticisms, Is Coming Down — And It's Coming Down Rapidly."** According to the Washington Post, "In the deluge of false statements coming from the Trump White House, it can be easy to skip over one. But then a top official misstates perhaps the most basic data point involved in his or her job. That's what happened Friday morning with President Trump's chief economic adviser, Larry Kudlow. Kudlow took to the Fox Business Network to boldly claim that a growing federal budget deficit was declining — and then threw in a 'rapidly' for good measure. 'The deficit, which was one of the other criticisms, is coming down — and it's coming down rapidly,' Kudlow claimed. 'Growth solves a lot of problems.'" [Washington Post, [6/29/18](#)]

### **Kudlow's Deficit Statement Was Found To Be False After A Fact-Check By The Washington Post**

**The Washington Post Pointed Projections From The Congressional Budget Office That Showed That The Deficit Will Climb To \$1 Trillion Annually By 2020.** According to the Washington Post, "There is no publicly available justification

for this claim. The deficit in fiscal year 2017 (\$665 billion) was bigger than it was in fiscal year 2016 (\$587 billion). And the GOP has now passed its big trillion-dollar tax-cut package and ramped up spending in other areas. The result? The nonpartisan Congressional Budget Office projects that the deficit will climb to \$1 trillion annually by 2020 — a number not hit since the recession spurred Congress to pass an economic stimulus package in 2009.” [Washington Post, [6/29/18](#)]

## **KUDLOW MADE FALSE ASSERTIONS ABOUT THE IMPACT OF THE UNITED STATES-MEXICO-CANADA AGREEMENT (USMCA) ON THE U.S. ECONOMY**

**Kudlow On How The USMCA Would Impact The U.S.: “That Would Be Very Important And Would Add A Half A Point Of GDP And 180,000 New Jobs Per Year If We Get That Through.”** According to FactCheck.org, “Kudlow made the claim during a ‘Fox News Sunday’ interview on Aug. 18. When asked about reports that the U.S. may soon experience an economic recession, Kudlow responded in part by saying that the USMCA trade deal — which has not been approved by Congress — would help the economy by increasing gross domestic product and employment. ‘We are looking at the USMCA, NAFTA 2.0 trade deal,’ said Kudlow, who has been director of the U.S. National Economic Council since early 2018. ‘That would be very important and would add a half a point of GDP and 180,000 new jobs per year if we get that through.’” [FactCheck.org, [8/21/19](#)]

### **Kudlow’s Claim Was Contradicted By The International Trade Commission’s Report That Showed A More Moderate Impact On The U.S. Economy**

**The ITC’s Report Estimated The Agreement Would Raise U.S. Real GDP By \$68.2 Billion (0.35%) And U.S. Employment By 176,000 Jobs (0.12%), But Those Were Not Per Year Figures But Six Years After The Deal Started.** According to FactCheck.org, “As we said, Kudlow may have been thinking of the ITC’s report assessing the ‘likely impact’ of the USMCA ‘on the U.S. economy as a whole and on specific industry sectors.’ The independent commission’s model estimated the trade agreement ‘would raise U.S. real GDP by \$68.2 billion (0.35 percent) and U.S. employment by 176,000 jobs (0.12 percent),’ according to the report. But those are not ‘per year’ figures. The report said those are estimates of job growth and GDP six years from whenever the deal may be implemented.” [FactCheck.org, [8/21/19](#)]

**The ITC Said The Job Increase Predicted Was Actually “In Year 6 Relative To The Baseline,” They Also Said The Agreement’s Overall Impact On The U.S. Economy Was Likely To Be Moderate.** According to FactCheck.org, “We confirmed that with an ITC spokeswoman. ‘The analysis did not look at job gains on a year by year basis – it only estimated the increase in jobs in year 6 relative to the baseline,’ she wrote in an email. It’s also unclear how those 176,000 estimated future jobs could help during a recession that many economists believe could hit the U.S. in 2020 or 2021. In fact, the ITC report said the trade agreement’s overall impact on the U.S. economy is likely to be ‘positive’ but ‘moderate.’” [FactCheck.org, [8/21/19](#)]

## **FEBRUARY 2020: KUDLOW FALSELY CLAIMED THE TRUMP ADMINISTRATION HAD CONTAINED THE CORONAVIRUS**

**February 2020: Kudlow On The Coronavirus: “We Have Contained This, I Won’t Say Airtight But Pretty Close To Airtight.”** According to Politico, “White House National Economic Council Director Larry Kudlow said Tuesday that the U.S. has ‘contained’ the threat of a domestic coronavirus outbreak, breaking with the warnings of officials from the Centers for Disease Control and Prevention. ‘We have contained this, I won’t say airtight but pretty close to airtight,’ Kudlow told CNBC’s Kelly Evans on Tuesday afternoon.” [Politico, [2/25/20](#)]

### **Kudlow’s Claim Was Inaccurate According To Officials From The Centers For Disease Control And Prevention**

**Nancy Messonnier, A Director In The CDC, Said A Coronavirus Outbreak In The United States Was Inevitable.** According to Politico, “A coronavirus outbreak in the United States is now inevitable, a top CDC official said Tuesday, elevating concerns that the public health emergency could soon become a full-scale pandemic. ‘Ultimately, we will see community spread in this country,’ Nancy Messonnier, the director of the CDC’s National Center for Immunization and Respiratory Diseases told reporters on a call. ‘It’s not a question of if but rather a question of when and how many people in this country will have severe illness.’” [Politico, [2/25/20](#)]

## Kudlow Jumped To Entertain Financial Policy Based On Trump's Feelings

### KUDLOW WANTED TO REGULATE GOOGLE BASED ON A BASELESS ACCUSATION FROM TRUMP

**Trump Claimed That Google's Search Results Showed Only "Rigged" And "Bad" Reporting About Him.** According to Politico, "Trump tweeted early Tuesday morning that Google's search results show only reporting from what he labeled the 'fake news media.' 'They have it RIGGED, for me & others, so that almost all stories & news is BAD,' Trump wrote on Twitter. 'Fake CNN is prominent. Republican/Conservative & Fair Media is shut out.'" [Politico, [8/28/18](#)]

- **Trump's Claim Was Dismissed By A Google Spokesperson Who Said They "Never Rank Search Results To Manipulate Political Sentiment."** According to ABC News, "A Google spokesperson pushed back on the president's allegations, however, saying its search engine algorithm doesn't include any consideration of politics. 'When users type queries into the Google Search bar, our goal is to make sure they receive the most relevant answers in a matter of seconds,' the spokesperson said in a statement. 'Search is not used to set a political agenda and we don't bias our results toward any political ideology.' 'We continually work to improve Google Search and we never rank search results to manipulate political sentiment,' the spokesperson added." [ABC News, [8/28/18](#)]

**Kudlow Said They Were "Taking A Look At It" Regarding Regulating Google Following Trump's Claim And Vague Pledge To Take Steps Against Google.** According to Politico, "Kudlow was asked Tuesday during a brief exchange with reporters whether the Trump administration feels that 'there needs to be some form of regulation for Google.' 'We'll let you know. We're taking a look at it,' Kudlow replied as he walked back into the White House after a TV interview with Fox News. Kudlow's remark followed a vague pledge from Trump to take steps against Google to rectify what he said is unfair treatment of conservatives by the company." [Politico, [8/28/18](#)]

## Kudlow Dismissed The Financial Well Being Of Workers During The Trump Administration's Government Shutdown

### KUDLOW CLAIMED FEDERAL WORKERS WERE STILL SHOWING UP TO WORK DESPITE FINANCIAL HARDSHIPS DURING A GOVERNMENT SHUTDOWN

**Kudlow Snapped That Workers Were "Showing Up" When Asked About Federal Workers Whose Paychecks Have Been Delayed Because Of A Government Shutdown.** According to Mediaite, "President Donald Trump's National Economic Council Director has been getting visibly frustrated lately with all the questions he's been getting over federal workers whose paychecks have been delayed because of a government shutdown. 'Workers are showing up!' insisted Larry Kudlow when reporters challenged him about dispirited federal workers who have stopped going to work." [Mediaite, [1/24/19](#)]

- **The Federal Government Shutdown For 35 Days Under The Trump Administration, Federal Workers Missed At Least 2 Pay Checks.** According to Politico, "The longest government shutdown in U.S. history came to an end Friday after President Donald Trump and Congress agreed to temporarily reopen shuttered federal agencies without providing any money for the president's border wall. [...] The president's concession came as the effects of the shutdown, which stretched into its 35th day on Friday, started to dramatically ramp up. As the shutdown's fifth week came to a close, the East Coast was riven with airline delays and federal workers missed their second paycheck." [Politico, [1/25/19](#)]

## Kudlow Claimed The Federal Workers Were Showing Up Out Of Allegiance To Trump

**Kudlow Said Federal Workers Were Volunteering Their Time During The Government Shutdown Out Of Their Allegiance To Trump Despite Financial Hardships.** According to Mediaite, "Prompted a bit more by a reporter over the shutdown leading to workers staying home, Kudlow seemed to suddenly lose his cool. 'You know? I'm not even gonna go there,' he said. 'You know what I'm saying, it's very clear. And you know what else? With respect to people who do have financial hardships, as someone was asking, they are coming to work and giving the same 24/7 work they always do, and I'm

saying, whatever semantic game you think you're playing with me— and I'm usually easy going guy— give them credit, okay?' Kudlow praised federal employees for showing up for work in spite of shutdowns, saying they are 'volunteering' to do it in honor of the country and 'presumably their allegiance to President Trump.'" [Mediaite, [1/24/19](#)]

## **Kudlow Attacked Trump's Then U.N Ambassador, Nikki Haley**

### **KUDLOW SAID HALEY WAS CONFUSED WHEN SHE ANNOUNCED SANCTIONS AGAINST RUSSIA**

#### **Kudlow Said Additional Sanctions Against Russia Were Under Consideration But Were Yet To Be Implemented, Of Haley He Said She Might Have Had "Some Momentary Confusion" When She Made Her Sanctions**

**Announcement.** According to NBC News, "A striking intra-administration quarrel played out in public when Kudlow told reporters during a briefing in Florida that Haley 'got ahead of the curve' when she said the U.S. would be slapping new sanctions on Russia on Monday in retaliation for the country's support for Syria's Assad government after its latest suspected chemical attack. Kudlow said additional sanctions are under consideration but have yet to be implemented. Of Haley, he said, 'There might have been some momentary confusion about that.'" [NBC News, [4/18/24](#)]

- **Haley Said New Sanctions Directed At Russian Companies Associated With Syria's Chemical Weapons Program Would Be Announced But The Announcement Did Not Happen.** According to NBC News, "Haley had said Sunday during an appearance on 'Face the Nation' that Treasury Secretary Steven Mnuchin would be announcing new sanctions directed at companies associated with Syria's chemical weapons program on Monday, 'if he hasn't already.' But Monday came and went without an announcement." [NBC News, [4/18/24](#)]

**Haley Responded To Kudlow That, "With All Due Respect, I Don't Get Confused."** According to NBC News, "On Tuesday, following Kudlow's remark that she must have been confused, Haley said in a statement to Fox News: 'With all due respect, I don't get confused.'" [NBC News, [4/18/24](#)]