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Yellen Slams Trump Over BLS Firing: “This Is Banana Republic Behavior”

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Former Treasury Secretary and Federal Reserve Chair Janet Yellen sharply criticized President Donald Trump’s decision to fire the head of the Bureau of Labor Statistics (BLS), calling the move “the kind of thing you would only expect to see in a banana republic.”

Yellen’s comment came after Trump on Friday abruptly dismissed Erika McEntarfer, the Senate-confirmed BLS commissioner, following the release of a disappointing July jobs

report.

“There is no indication the data was falsified,” Yellen said, referring to Trump’s claims that the data had allegedly been fabricated. “But firing an independent official for reporting unwelcome numbers threatens the credibility of our economic institutions. This is the kind of thing you would only expect to see in a banana republic.”

The report showed just 73,000 new jobs added, well below expectations, and included downward revisions of 258,000 for May and June combined.

Additionally, economists and former officials expressed alarm over what they described as a dangerous politicization of economic data. The BLS, a nonpartisan agency within the Department of Labor, has historically operated independently to safeguard the integrity of labor statistics used by policymakers, investors, and the public.

Analysts also warned that undermining confidence in official data could have wide-ranging consequences for financial markets and the Federal Reserve, which relies heavily on BLS figures to guide interest rate decisions.

Without providing evidence, Trump accused McEntarfer of manipulating employment data. “We need accurate Jobs Numbers,” he posted on Truth Social, announcing that she would be replaced “IMMEDIATELY.”

A spokesperson for the BLS declined to comment.