

# THE ORANGE COUNTY REGISTER

## One of Donald Trump's biggest economic supporters? It's a UC Irvine economist

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In the towering glass and steel lobby of UC Irvine's Merage School of Business, a small media scrum – two television correspondents, two cameramen, a producer, a newspaper reporter and a photographer – laid in wait last week for Donald Trump's ubiquitous economic champion.

It had been a crazy few days for 67-year-old UCI professor Peter Navarro, what with nonstop interviews on CNBC, Fox News, MSNBC, CNN, BBC, NPR, "Fox & Friends" and a shouting match with Chris Matthews on "Hardball."

Was he enjoying the limelight?

"No," he insisted, as he wound up a three-hour session with "PBS NewsHour," a 15-minute interview with a local CBS station and a photo shoot on the rooftop terrace of the school.

So why do it?

"Because it matters," said the man who calls himself "a Reagan Democrat and a Trump Democrat abandoned by my party."

With a doctorate in economics from Harvard University, Navarro is the only academic on Trump's 21-member economic advisory council, which is heavy with real estate moguls and Wall Street financiers.

As such, he was tapped to defend the economic speech delivered by the GOP presidential candidate last week in Detroit, at a time when few of Navarro's economist colleagues endorse Trump's protectionist views on trade and the candidate's proposed tax cuts are criticized as benefiting the wealthy.

"I have been predicting a Trump victory for many months," Navarro said in an interview. "He is running on the trade issue – stopping Mexico and China from cheating. That resonates with voters, even if most academics and policymakers embrace globalization."

After Hillary Clinton delivered an economic speech in Michigan on Friday, the professor was back on the airwaves declaring, “Under Trump’s plan, everybody gets a tax cut. Under Clinton’s plan, everybody gets a tax hike.” That’s a recurring Trump assertion that nonpartisan fact checkers dispute.

With his shock of white hair, rugged good looks and crisp sound bites, Navarro is a media-savvy advocate on camera. But his style – interrupting interviewers and combatively questioning them – has critics, too.

“Of all the people I’ve debated on TV on trade, he’s the most strident, the most unyielding,” Dan Ikenson, trade policy director at the Cato Institute, a conservative think tank, told Politico last week.

### **NAVARRO’S CAMPAIGN ROLE**

Navarro has never met Trump in person. And as for speaking with him by phone, he acknowledges, “I have never had the pleasure.”

The economist was in Cleveland for the GOP convention, but busy doing media interviews from dawn until midnight, he said.

“I am not the kind of person who needs to kiss the ring,” Navarro said. “I have great respect for him and I have worked with his team.”

Asked about Navarro’s campaign role, Stephen Miller, a Trump senior policy adviser, emailed, “He is one of the top trade experts in the world. Navarro is a champion for the American worker.”

Navarro’s connection dates to 2011, when he sent a “snail mail” letter to Trump Tower in New York. Navarro had written a book on what he saw as the dangers of China’s economic aggression, and his views dovetailed with Trump’s.

Eventually, the real estate developer offered a complimentary blurb to promote a 2012 Navarro documentary, “Death by China: One Lost Job at a Time,” narrated by Martin Sheen and posted on YouTube. Nucor Corp., the nation’s biggest steelmaker, contributed \$1 million to a nonprofit group to fund the film, which supported industry efforts to battle Chinese imports. Navarro said some of the funds also helped pay for a sequel, and he worked pro bono.

In addition to media appearances for Trump, Navarro said he’s written numerous articles with the candidate’s team. In one, he helped the campaign challenge a June analysis by Moody’s Analytics that asserted the candidate’s economic proposals would cause “a lengthy recession” and result in a loss of 3.5 million jobs.

“It was garbage in and garbage out,” Navarro said, claiming the authors made flawed assumptions about Trump’s trade, tax and immigration policies.

On last month's Labor Department report, which found the U.S. added 225,000 new jobs, he said, "There's all this happy talk about the recovery. But our trade deficit went up. Mr. Trump is one of few who understands that trade deficits reduce GDP growth."

Navarro also assails President Barack Obama's and the Federal Reserve's post-recession economic stimulus initiatives for boosting the federal debt: "Thanks to easy money, the federal reserve balance sheet looks like a page right out of a Stephen King novel."

## **AN EARLY CAREER IN POLITICS**

Over the years, the professor's political views seem to have evolved. Long before his alliance with Trump, and before moving to Laguna Beach, Navarro had been a high-profile Democratic politician in San Diego.

Between 1992 and 2001, while he was on the UCI faculty, he ran for mayor, City Council (twice), the county Board of Supervisors and Congress, losing all five races. In those years, Navarro described himself as pro-environment, pro-choice and pro-gay rights, and had little use for the GOP's economic programs.

"On the economic agenda, the Republican leadership is more likely to cook up tax schemes to further enrich the rich," he wrote in a 1998 memoir published serially in the San Diego Reader, an alternative weekly.

"On the environmental front, I do not trust the Republican Party to do anything but trash the environment under the phony banner of economic progress."

After elective politics, Navarro, whose academic research had hitherto focused mainly on electric utility regulation, launched into writing popular books and newspaper op-eds and into making films – endeavors that kept him in the public eye.

A 2001 volume, "If It's Raining in Brazil, Buy Starbucks: The Investor's Guide to Profiting From News and Other Market-moving Events," touted "macrotrading" for ordinary investors. It was followed in 2003 by "When the Market Moves, Will You Be Ready?"

By mid-decade, Navarro had shifted his concerns to what he sees as China's predatory trade practices and its expansionist ambitions. His 2006 book, "The Coming China Wars: Where They Will Be Fought, How They Can Be Won," was followed in 2008 by "Death By China: Confronting the Dragon – A Global Call to Action," the basis for his later documentary.

## **ALL IN FOR TRUMP'S AGENDA**

Unlike Trump's tax-cut program and his opposition to government regulations, which follow a traditional GOP playbook, the trade issue is one where both Trump and Navarro find allies on the left. For years, labor unions have battled both Democratic and Republican support for what they see as unfair trade policies that fail to curb China's currency manipulation and export subsidies.

Navarro takes the argument further. His most recent 2015 book, “Crouching Tiger: What China’s Militarism Means for the World,” poses the provocative question: “Will there be war with China?” A 10-part “Crouching Tiger” film series is planned, with the first five episodes already posted on YouTube.

Navarro is not just in sync with Trump on trade. When asked about the candidate’s expressed doubts on “man-made climate change,” the economist launches into an attack on the Obama administration’s efforts to limit global warming.

Climate change regulations “should not be self-imposed on this country when India and China keep emitting,” Navarro said, adding that the Paris agreement negotiated by 195 nations last year “pays China to clean up its environment while it steals our jobs. That fries me.”

And despite his onetime suspicions of Republican tax cutting, he favors Trump’s proposal to repeal the estate tax, which currently applies to inheritances over \$5.5 million for individuals and \$11 million for married couples.

Trump’s proposed restrictions on Muslim immigration are reasonable too, in Navarro’s view. “What do we want 2,000 Syrian refugees coming into our country when the State Department can’t properly vet them?” he asked a radio interviewer last week.

And Trump’s Mexican wall? Navarro suggests it might end up being “a digital wall,” despite Trump’s assertions that it will be “a real wall.”

Navarro praises his candidate’s “wonderful family – so loving, so compassionate” – and his personal qualities. “Even though Mr. Trump is a billionaire he is still able to relate to average working men and women. The billionaire gets along with the bricklayer.”

## **AN ACADEMIC INNOVATOR**

Navarro said none of his faculty colleagues or students have expressed criticism to him about his work for Trump. “It should be an honor to have a member of the UCI faculty serving in a senior role for a presidential candidate,” he said.

Administrators praise Navarro for expanding Merage’s online learning curriculum, a trend in MBA programs. “Peter was one of our earliest pioneers of distance learning,” said Associate Dean Mary Gilly. “He took advantage of the first online-meeting software in the 1980s and 1990s.”

During a tour of the school’s recording facilities last week with journalists, Navarro flipped on a monitor to show himself delivering an animated lecture in a macroeconomics course available to tens of thousands of students in dozens of countries.

Some see Navarro’s defense of Trump as a step toward a new career in Washington.

“Given that relatively few academic economists have embraced the Trump candidacy, Navarro is plausibly a leading candidate for a top job in a Trump administration,” wrote Tyler Cowen, a George Mason University economist, in Bloomberg View.

Navarro demurred: “Not looking for a job. This is a pure pro bono exercise designed to help this country.”

And if serving in a Trump administration would help the country? “Such a loaded question,” he replied. “Too funny. But it’s just not my goal.”