

# [***Trump Facing Money Woes Following Legal Judgments?; Consumer Sentiment?; Houthi Attacks Continue; Interview With British Ambassador To The United States Karen Pierce; President Biden Campaigns In California; Border Battle; Interview With Sen. Joe Manchin (D-WV)***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BCN-NNK1-JCS1-60KP-00000-00&context=1516831)

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**Body**

NEIL CAVUTO, FOX NEWS HOST: All right, so close, but so very far.

President Biden plans to attend some high-profile fund-raisers tonight in Southern California. He expects to be there for every single one of them, but about 165 miles away, migrants continue to stream across the border. He does not expect to go there.

To Bill Melugin in the thick of all of that in Jacumba, California -- Bill.

BILL MELUGIN, FOX NEWS CORRESPONDENT: Neil, good afternoon to you.

Definitely not expecting President Biden to make his way down here to Jacumba. Right behind me here, you see a camp full of illegal immigrants from all around the world who have crossed over and are now setting up shop waiting for Border Patrol to apprehend them, all this happening right off a main highway here in San Diego County, Interstate 8.

Take a look at this video our drone team shot just a few hours ago. This was another group that crossed illegally right on the other side of town here in Jacumba, again, more people from all around the world, predominantly single adults.

This San Diego Sector continues to get well over 1,000 illegal crossings on average every single day. And I had a chance to talk with some of those people who crossed. Listen to where they are coming from. Take a listen.

(BEGIN VIDEO CLIP)

MELUGIN: Where are you from?

UNIDENTIFIED MALE: India.

MELUGIN: India.

UNIDENTIFIED MALE: China.

MELUGIN: China.

UNIDENTIFIED MALE: Georgia.

MELUGIN: Georgia.

UNIDENTIFIED MALE: Georgia.

MELUGIN: Georgia.

Where are you from?

UNIDENTIFIED FEMALE: India.

MELUGIN: India.

UNIDENTIFIED MALE: China.

MELUGIN: China.

Ma'am, where are you from?

UNIDENTIFIED FEMALE: China.

MELUGIN: China.

UNIDENTIFIED MALE: China.

UNIDENTIFIED MALE: China

MELUGIN: China?

UNIDENTIFIED MALE: Yes. Yes.

UNIDENTIFIED MALE: China.

UNIDENTIFIED MALE: China.

UNIDENTIFIED FEMALE: China.

MELUGIN: China.

UNIDENTIFIED FEMALE: Yes.

MELUGIN: China.

UNIDENTIFIED FEMALE: Yes.

MELUGIN: China.

UNIDENTIFIED MALE: Georgia.

MELUGIN: Georgia.

UNIDENTIFIED FEMALE: China.

(END VIDEO CLIP)

MELUGIN: And then take a look at this video.

A woman seemed to faint or collapse as she was waiting to be processed by Border Patrol. She hit the ground. Border Patrol ran over to her. She ended up getting taken away in an ambulance. She was fully alert, fully conscious. Unknown what her medical issue was there.

But, Neil, it goes without saying, whatever her medical bills are, they will be paid for by taxpayers out here in California. Back out here live, the number of Chinese nationals here cannot be overstated. It used to be very rare. I have been covering the border for over three years now. We never saw Chinese nationals back in like 2021, early 2022.

Now we are seeing them by the hundreds every day just here in the San Diego Sector. CBP sources telling us just in the last 24 hours alone here in San Diego Sector more than 200 Chinese nationals have crossed illegally. We will send it back to you.

CAVUTO: Staggering numbers, my friend. Thank you, Bill, for that.

Bill Melugin.

In the meantime, I told you about the president not intending to go to the border, but he might be making some plans executive action-wise what to do about the border.

Mark Meredith has more from the White House.

Hey, Mark.

MARK MEREDITH, FOX NEWS CORRESPONDENT: Neil, good to see you this afternoon.

The president's trip out to California is not about the border. It's all about raising money. He's going to be attending multiple fund-raisers over the next few days. And we had a chance to hear from the president earlier today. He seemed pretty confident about his fund-raising totals already gained so far this year.

And he also shrugged off questions about his Republican rivals as that GOP nomination battle rages on.

(BEGIN VIDEO CLIP)

QUESTION: Nikki Haley or Donald Trump, who would you prefer in November? Who would you rather challenge in November, Nikki Haley or Donald Trump?

JOE BIDEN, PRESIDENT OF THE UNITED STATES: Oh, I don't care.

(END VIDEO CLIP)

MEREDITH: The president will attend fund-raisers both in Los Angeles and San Francisco.

Today, the Biden/Harris campaign released its latest fund-raising data showing it raised $42 million last month alone. We also heard from the campaign. They say: "While the team continues to build on its fund-raising machine, Republicans are divided either spending money fighting Donald Trump or spending money in support of Donald Trump's extreme and losing agenda," the campaign statement there on your screen right now.

But the president's still facing plenty of pushback from members of his own party, specifically progressive Democrats who are furious over continued support for Israel. Today, we heard from the mayor of Dearborn, Michigan. He's now joining Congresswoman Rashida Tlaib and calling on Democrats to protest vote during next week's Democratic primary.

Meantime, there are plans that the White House is getting ready for the State of the Union as a reset moment for the White House, trying to talk about the president's image, as well as his agenda, gearing up before November, also potential talk out there of a new executive order on immigration, but we don't know what that will look like yet or whether or not it'll be rolled out during the State of the Union or maybe in the days leading up to it.

The president still in the air at this hour, Neil. He's going to be touching down tonight, like I said, for those fund-raisers. We're going to have him back here in D.C. at the end of the week, where we know he will be talking about new sanctions coming towards Russia.

And we just learned in the last few minutes he's going to speak with G7 leaders later on this week on Saturday for a conference call focused on Ukraine -- Neil.

CAVUTO: Got it, my friend. Busy week for both him and you, as a result.

Mark at the White House, of course.

In the meantime, Mark Dannels joins us right now, the Cochise County, Arizona, sheriff.

And, Sheriff, always an honor to have you.

And I did want to get your take on the president doing something you have actually advised in the past, maybe reverse some of those executive orders you signed when you came in on day one to do something about the surge at the border. We don't know the details, but what do you think of what you're hearing?

MARK DANNELS, COCHISE COUNTY, ARIZONA, SHERIFF: Well, good afternoon, Neil. Thanks for having me again. It's always an honor to be on your show too.

Let me just say this. We're in an election year. Three years have gone by. The international welcome mat has been out there for three years. There's a lot of damage already done to our country when you look at national security, humanitarian and public safety. It's an election year. So something's going to happen this year.

He's got the executive power to do something to secure this border, stop the flow. But until he takes off that welcome mat and moves that aside, they're going to keep on coming, like Bill Melugin just talked about.

CAVUTO: You know, if you think about it, though, Sheriff -- and you have been talking about this for years -- that if he overdid it with some of the executive actions he took when he first became president, he could just as easily reverse that by un-executive acting on those actions, which he seems to be doing here.

Again, we don't know the details, but if he -- if he had that power all along, why didn't he use it and why just use it now?

DANNELS: Well, Neil, it's -- you look at the actions over the last three years. You look at the policies, you look at the challenges by the White House to secure this border, the challenges not to secure it, but the judicial oversight to fight it.

And you look at where we're at, the maze of people that have come in this country illegally, that have been allowed to stay, the crime that's happened, the tragedy that's happened, you got to say this is intentional. I mean, you really got to say this was a plan, a well-designed operational plan that's been carried out well.

Now we need to put the brakes on to slow it down because it is an election year. He knows even his own party has been banging back at him saying, this ain't working. So you're going to see some brakes come on. What that means, I don't know.

But, in the meantime, our border communities in this country have been dealing with a lot of negative as a result of an open border.

CAVUTO: And to your point, not just border communities. You're a long way from the northern border, our border with Canada, but, of course, we have seen a big surge in apprehensions and got-aways and encounters there, 241 percent surge in the latest year. What the heck is going on?

DANNELS: Well, it goes back to my initial statement, Neil. It's the fact that, when you open up our country, not just the southwest border, which is prominent, no doubt about it, you have also built up our northern border.

I was just in D.C. a couple of weeks ago with national sheriffs talking to sheriffs on the northern border, talking to our Border Patrol leaderships. There's no doubt about it. It's getting worse and worse. And I had a Florida sheriff here last week. I got one coming from New York coming in tonight to see what's coming across, what's going on, the reality of our border.

And they will tell you the same thing. Whether it's coastal, northern, southern, it's coming into our country because that welcome mat is there and there's no consequences not to come to United States right now.

CAVUTO: Well, as you know, back to Mexico, Sheriff, the president is termed out after wrapping up or close to wrapping up a six-year term, two candidates trying to take the chalice from him, if you will, but none have been speaking favorably about the United States or, for that matter, of our toughening things up at the border and setting up what I think President Calderon has criticized to be military outposts.

Now, I'm just wondering how you believe that's being received in Mexico, where we're deemed the villains. That's sort of like reverse roles there.

DANNELS: It truly is, but there's been no pressure on the Mexican president, Mexico's president, as the cartels.

There's two co-forms of government down in Mexico. You got the criminal cartels and then you got their government. And I'm not saying -- there's great people live in Mexico. Don't read that wrong. But what I am saying is, right now, there's been no pressure for this president in Mexico to do anything different than what he's doing now.

And the cartels are flourishing as a result of President Biden's failed policies. I'm not being personal with that, but they are failed. We're seeing it every day on our border. I was out on the border this morning flying with our helicopter and seeing the tragedies, the pursuits that we're involved with.

It's not stopping because there's nothing to stop it right now. We need the president, we need Congress to get their act together and help us out here on this border and save this country.

CAVUTO: All right, you might not want to hold your breath for that.

In the meantime, Sheriff, thank you very much. We appreciate it. Be well.

All right, in the meantime, you heard about Joe Manchin, but that Joe, you know. But he isn't ready to go with the other Joe you know. Why is that?

After this.

(COMMERCIAL BREAK)

CAVUTO: Say it ain't so, Joe.

Joe Manchin disappointing many in the No Labels movement looking for a third independent way as a presidential alternative to a repeat of the last election, the West Virginia Democrat opting out of that, saying he wasn't interested, that he hasn't committed to the two front-running candidates, either Donald Trump right now on the Republican side or Joe Biden on the Democratic side.

Senator, very good to have you.

Why now? Why say now is the time...

SEN. JOE MANCHIN (D-WV): Thanks, Neil. Good being with you.

CAVUTO: Same here, sir.

Why now? Why opt out now, when you were getting good buzz and a lot of attention?

MANCHIN: Well, Neil, I have been going around the country, as you know, and talking to people, and trying to find out how they believe and what they're feeling and what -- what -- why they're so disenchanted with what we have available right now.

And if you're handicapping it, it looks like we're going to have the two major candidates as a repeat from the 2020 election. And you're finding out, I found out that about 55 percent of the people are really stuck right in the middle. They're center-left, center-right, Grand Old Party and the old responsible Democrat Party that had compassion.

But they're not clear to the extremes, and they're getting pushed to the extremes. They don't like that. They have no options. They don't like it at all. And so I have said I'm looking everywhere I can to be involved, to be helpful. And I have come to the conclusion, you're not going to change Washington inside of Washington.

When I saw my friends who I think the world of, they're very close to me, my Republican friends, walk away from a border deal that I thought was probably the best border deal that we have seen before us in the last two decades, border security, and James Lankford, one of the most conservative, one of the best human beings I have ever met, moral values unbelievable, and worked like the dickens on that, and really has a great bill.

That, when Donald Trump basically said he'd rather not have this bill right now, it's not -- and then he gave every reason why he didn't think it was good, which were all wrong. He was erroneous on his whole evaluation. He just wanted to wait until the next election.

And when I saw that, that kind of took the wind out of my sail a little bit. And I just said, I better get out there and see what I can do...

(CROSSTALK)

CAVUTO: But certainly -- it certainly couldn't have surprised you, right? It couldn't have surprised you, right, Senator?

I mean, he does have this grip on the Republican Party, to the degree to which surprises lots of folks, yourself included.

MANCHIN: Well, I -- it surprised me that I would think...

CAVUTO: So, that was a given, wasn't it?

MANCHIN: Well, no, it wasn't, Neil.

I -- it surprised me that, first of all, the border crises that we have are Joe Biden's fault. Starting from day one, I disagreed. And we have been arguing about this back and forth. I think then, in defense of Joe Biden, their discussion and their basically explanation is that the world was in a flux after the pandemic.

A lot of people were hurting around the world. We wanted to make sure we could help as many as humanly possible. And the border was overrun, unbelievably overrun. And then catch-and-release is horrible. So they have waited too long. But now they have come to the table to fix a horrific problem that we have.

And saying that we have to wait another 10 months for the ***politics*** to be right for somebody is wrong. That's as wrong, if not worse, as what -- getting to this position. So we have a chance to fix it. We should fix it as quickly as possible.

And I'm hoping that good-minded people will come together. We have the ability to fix it, Democrats and Republicans working together.

CAVUTO: But you said that this frustration with how this all sort of evaporated kind of just soured you on ***politics*** as you see it, maybe even a presidential run.

MANCHIN: Well...

CAVUTO: But why would it sour you on a run if you -- and there was talk of a bipartisan ticket, maybe you and Mitt Romney together, all sorts of combinations mentioned. Why walk away from that?

MANCHIN: Well, you know, I have mentioned -- and Mitt's a dear friend of mine. I'd love to see him run. And I would -- maybe I'd be his running mate. We have talked about so many things.

We have had a lot of good discussions and kind of a lot of fun with this. And there's so many good people. Take the Rob Portmans of the world that have left early, the best of the best. They always were the ones that are sitting there in a bipartisan way, putting the country before themself or their party, trying to find a pathway forward.

I enjoyed so much working with him. And Rob has left.

CAVUTO: Well, you didn't find -- well, it sounds like you didn't find that pathway.

I mean, were you just sort of stringing us along, Senator?

MANCHIN: Oh...

CAVUTO: I mean, or was there frustration that so far No Labels is on 16 state ballots? It's a long way from having the type of oomph you would need to get 270 electoral votes, which is what you need for president, that that frustrated you, and you just said the hell with it?

MANCHIN: Not really, Neil.

I wish -- I mean, I have been with No Labels from day one.

CAVUTO: Right.

MANCHIN: They are a great group of people with a great determination to give us the middle of the country.

And I'm going to do everything I can with our group now called Americans Together working to bring the country together, giving people options. I just -- it didn't feel right for me. It just didn't feel right.

CAVUTO: With a No Labels candidate, Senator? With a No Labels candidate? If you don't like Joe Biden yet, you're not committed to Donald Trump -- I think ever since the January 6 insurrection, you had said, I love my country too much to vote for Donald Trump.

So I assume you still maintain that position. So it sounds like you would be open to a No Labels candidate to vote for.

MANCHIN: Oh, I'm open to whatever we put forward that has a chance of taking and bringing our country back together.

Right now, I don't see it. And I'm hoping Joe Biden would come back to what he said he was in 2020, the person I have known forever, and be more centrist, center-left maybe, but center...

CAVUTO: But he's not. He's not doing that. He's not doing that.

MANCHIN: ... rather than going so far to the left.

Well, you had better hurry up. Better hurry up.

CAVUTO: OK.

So there are other names mentioned. There's even the possibility of Nikki Haley if it doesn't work out for her on the Republican side. She faces an uphill battle. Maybe she will garner some interest. It doesn't look like she is too interested, but slim pickings now.

Is it -- is this No Labels has just sort of run out of gas?

MANCHIN: I don't know. You have got people out there now. Neil, you have got people out there now talking around, whether it be the Bobby Kennedy or -- or Cornel West and all different types of people. I understand that.

I don't want to be a spoiler. I don't want to get into something that I would think that I would be a spoiler, and not have that pathway clear to victory. And that's what I was concerned about.

CAVUTO: I see.

MANCHIN: I have come to the conclusion that I didn't want to be put in that position.

And I'm not running for Senate again. And I'm going to be involved. I got a lot of gas in the tank still left. The lord gave me good health, and I feel energetic, and I'm going to do all I can to explain to people, change the primary process you have in your state. Make sure you have an open primary or a majority or what we call ranked-choice voting.

Make sure people can get into this process that have never been able to because they're not part of the establishment of any party machine. They don't have all the money in the world to do it, self-funded. And then I have come to the total conclusion, Neil, that we -- it's time. It is truly time to have, basically, the ballots from the standpoint of how long we can be in office, term limitations.

I have come to the conclusion, term limits, it's time for that now, term limits. And I say that because we're not getting the turnover that we need and the right type of turnover.

CAVUTO: Well, let me ask you a little bit about what it's time for too.

A lot of people said decency might be a good idea, to return to just civil discourse here. Nikki Haley...

MANCHIN: Civility. Wouldn't civility be something?

CAVUTO: Well, it would be a concept.

MANCHIN: Civility would be.

CAVUTO: Because I have raised it, sir, because Nikki Haley, in talking -- in speaking today to supporters, she was bringing up criticism that President Trump had of her husband, and it got fairly emotional.

I want you to respond to this.

MANCHIN: Sure.

(BEGIN VIDEO CLIP)

NIKKI HALEY (R), PRESIDENTIAL CANDIDATE: I wish Michael was here today, and I wish our children would see him tonight. But we can't.

He's serving on the other side of the world, where conflict is the norm, where terrorists hide among the innocent, where Iran's terrorist proxies are now attacking American troops.

(END VIDEO CLIP)

CAVUTO: She was responding to Donald Trump's criticism of her husband not campaigning with him -- with her, as if under some nefarious intentions.

It sickened a lot of people, and she responded this way today. Do you think someone who makes those kind of charges has the moral fiber to be president of the United States?

MANCHIN: The charges that Donald Trump has made on Nikki's husband, and not even having the civility or decency to say, my heart and prayers go out to the Navalny family -- the Navalny family, just common decency that most Americans have, absolutely not.

CAVUTO: So, if he doesn't respond to these events as maybe typical human beings might -- now, that might vary. It's worked for him. He s still very popular Republican Party.

If he becomes president, obviously, without your support as things stand now, do you have any fears for the country? Well, how -- would he be worse than Joe Biden, who economically and some would tell you on some other matters has been a disaster? What do you say?

MANCHIN: Let me just say this.

Whenever our president is elected, duly elected by the people, which Joe Biden was done, which Donald Trump was done in 2016, I'm going to do everything I can to help my president be successful. That's the position. I'm giving you my position now as the candidates that we have.

If Joe Biden becomes the president again, I will do everything, as I have done in the past, to help him be as successful as he can. If my president does well, my country does well. And the bottom line is, is once they're there, they're there. This is ***politics***.

CAVUTO: So, you would apply that -- wait a minute. I want to be clear. You would apply that to Donald Trump, who you said, "I love my country too much to vote for Donald Trump," that you would give him a second chance?

MANCHIN: I'm not going to vote for Donald...

CAVUTO: Some in your party are worried -- I understand. Some are saying it will be a vendetta tour, and that that's something to worry about. Do you subscribe to that?

MANCHIN: Well, you would have to oppose -- I would -- you would hope that we could have reason, sit down and make sure he doesn't use the vengeful, vindictive tone he's been touting right now, and use a common decency that we all have and have to have in this type of civility, in a civil country that we have.

So, let's see what happens there. I do not -- I will not support someone who's told me what they're going to do and how they're going to govern. But if they're in that position, I'm going to try to work with them to bring them back to common sensibility.

We have to have some -- I mean, just some decency, just decency. You can't call people names. You can't make fun of other people. You can't tell other countries you hope you're going to turn big, bad Russia loose on them. You can't do that and be the superpower of the world or basically the hope of the whole world.

And the reason we are so strong -- and I have said this, Neil, that Vladimir Putin understands the strength of NATO more than Donald Trump. He understands. Vladimir Putin understands. That's why we are the superpower of the world. That's why they never could become the superpower that they would want to have been. And that's because other people have our values.

And if the people have values willing to fight and die for you and with you because of the freedoms that they cherish, then you have Ukraine. And the best investment we can make is to continue to support Ukraine, because, if Vladimir Putin has his way moving through Ukraine, Neil, he's going to move on. He's not stopping there.

His quest to put mother Russia back together, that, when the Iron Curtain came down, kind of splintered it, and he's made that very clear. That means American and American lives, men and women, are going to be in harm's way, and our blood will be shed then. We can prevent that now by supporting Ukraine.

CAVUTO: All right, but he has a passionate base, that is, Donald Trump, that doesn't care about a lot of the stuff that you just mentioned and outlined, that they see where you're coming from, but they much prefer Donald Trump, because, in the White House, he was a no-nonsense, take- charge leader, and the very behavior was what endeared him to them.

What do you tell them?

MANCHIN: I think what you need to do is talk to all his Cabinet members that left. How many of them are supporting him? How many of them that really know the operations inside are still there?

I'm not here talking about -- people are going to make their mind up. I respect that. And whoever is the president, I'm going to do everything I can to make sure that America that we know, America that I love and you love and all of us, there's a certain civility that we have for each other, respect for each other.

We have got to put that back in government. We have got to tone this down.

CAVUTO: All right.

MANCHIN: This is not normal, Neil. This is not normal. And it cannot be accepted as the new norm.

CAVUTO: Senator Manchin, thank you very much. Very good seeing you again.

Keep us posted on what your next plans are.

MANCHIN: You too, Neil. Keep in touch.

CAVUTO: All right, Senator Joe Manchin.

In the meantime, Karen Pierce, the British ambassador to the U.S., what she makes of some of the comments we have been hearing from both candidates regarding not only a dissident's sudden death, but right now the sudden pressure for a war in Ukraine that could be going the other way.

She's next.

(COMMERCIAL BREAK)

CAVUTO: All right, Vladimir Putin still targets his dissidents and his enemies. Maybe more sanctions will do the trick. We're trying yet again the same formula again -- after this.

(COMMERCIAL BREAK)

CAVUTO: All right, we have been telling you obviously about the deaths right now of Alexei Navalny and now the concern about not only where his body is, but apparently a warrant for the rest of his brother in the country and growing confusion there.

The U.S. already set to hit Russia with some new sanctions, although prior sanctions have not exactly hurt the guy. He remains the richest he's ever been, and his country, thanks to oil revenues coming in, sitting on billions of dollars. It seemed unthinkable when the Ukraine war started two years ago.

Karen Pierce, the British ambassador to the United States, what she makes of that.

Ambassador, always an honor having you. Thank you.

DAME KAREN PIERCE, BRITISH AMBASSADOR TO THE UNITED STATES: Thank you for asking me, Neil. Good to see you.

CAVUTO: Same here.

These additional sanctions, they're something, they're an option. I understand that. But they seem to do little to deter Vladimir Putin's behavior. What do you think?

PIERCE: Well, we carry on applying them because they do have a very important effect on degrading Russia's ability to fight Ukraine.

They also limit what Putin can do abroad. They limit where he can go. They limit how he can spend his money, how he can spend Russia's money. And, overall, they contribute to the weakening of his ability to wage war. And that's why we continue to prosecute them. We hope that we will see over time an even bigger effect on President Putin.

But they are having an effect now on his ability to do harm.

CAVUTO: But he did just capture, that is, Russia, a key Ukrainian city. The tide, many argue, Ambassador, could be turning in his favor. A lot of that has to do with the fact that aid to Ukraine has been slowing down and a lot of it is coming because of reluctance to get that aid for a variety of reasons from the United States.

NATO's worried about this. There's a general concern that Vladimir Putin has the upper hand. Do you think right now he has the upper hand?

PIERCE: Absolutely not, Neil. He hasn't had the upper hand for a long time. His army is in tatters. His defense equipment has been shown to be shoddy.

He may have got a couple of tactical victories, but, overall, in the past two years, the Ukrainians have done a remarkable job of defending their homeland and taking back some of the areas that Putin's forces have managed to take. And we're confident the Ukrainians will keep pushing on.

I wouldn't draw too much of a causal link, but I would say that we do hope, as America's number one ally, we have stood shoulder to shoulder in the defense of freedom. We're very grateful for what America has done so far to help Ukraine. We would make an appeal to Congress to pass the Ukraine package.

CAVUTO: Well, good luck with that. It appears to be dicey.

And, Ambassador, I raise this because Donald Trump might be playing a role in that. He didn't like the original package that was attached to border belief that he felt was not timely. And I'm being kind there. He had also earlier said -- and this is what rankled some in NATO, Ambassador -- that it would be encouraging for Russia to invade a NATO country that wasn't spending enough on defense.

And he stood by those remarks. What do you think of that?

PIERCE: Well, I think the first thing to say is that NATO countries have increased their expenditure on defense.

And some of the credit, a lot of the credit for that does go to President Trump when he was in office. We ourselves are at 2.5 percent. The NATO floor, if you like, is 2 percent. And most NATO members are there and they're going to try and do better even as we go forward.

But if you look at...

(CROSSTALK)

CAVUTO: But he's more like saying, Ambassador -- but he's saying, Ambassador, that if you don't put up the 2 percent, you're not encouraging Russia to invade that NATO country.

Now, that is very odd, to put it mildly, unprecedented language out of a possible commander in chief again. What do you think?

PIERCE: Well, I don't want to speak for President Trump or any American politician, but I think, when comments like that are made, they're not speaking internationally. They're not speaking to Moscow or to Brussels or to London.

They're on the campaign trail. America has been a very strong supporter of NATO. Very many people in Congress support NATO. And Europe's doing its bit on Ukraine. We have spent over $15 billion in assistance. The E.U. has spent $95 billion in assistance, and has just passed a package to help with the non-military aspects, things like being able...

CAVUTO: So, all those other NATO members that you talk to -- and, I mean, you're being very diplomatic about them. I commend you for that, Ambassador. But they're frantic right now that.

They think that a President Trump back in office is going to maybe even go so far as to abandon NATO.

PIERCE: I don't think there would be support in the United States for an abandonment of NATO.

NATO supports American national security interests. It supports American international security interests.

CAVUTO: All right.

PIERCE: As Senator Manchin with saying, America is a superpower. And one of the reasons that America is the preeminent superpower in the world is because she has friends and allies like those in NATO.

That's what makes the critical difference between America and China and Russia when Russia was within her heyday. And I don't think that's going to change. I think there's going to be a lot of support for that remaining, those alliances remaining on the Hill and among the American people.

CAVUTO: Ambassador, very eloquently put, as always. It's an honor having you. Thank you for taking the time.

PIERCE: Thank you, Neil.

CAVUTO: All right, General Jack Keane on all these developments and what he makes of these continued Houthi attacks. They're getting more successful. What are we doing in response?

After this.

(COMMERCIAL BREAK)

CAVUTO: All right, we keep launching attacks on Houthi rebels, and they keep launching attacks back, the latest on an American ship traversing the Red Sea that was carrying grain to Yemen, and another British vessel that was hit and taking on water.

General Jack Keane here, his read on all this.

The more we hit, the more they hit back. We hit them again, and they hit back. We can't seem to stop it, General. What's going on?

GEN. JACK KEANE (RET.), FOX NEWS SENIOR STRATEGIC ANALYST: Yes, well, there's no doubt the Houthis have stepped up this campaign, and they certainly wouldn't have done that without approval from the Iranians.

Some good news is the Iranians shut down their Iranian-backed militia groups in Iraq and Syria from attacking our U.S. bases, at least for the last two weeks, 14 or 15 days now. So it gives you a sense of how much in control Iran is here.

So they're behind this. The Houthis certainly have all the instruments that Iran has given us. I think what we need is, I have said this before, a sustained campaign. Give the CENTCOM command a license to destroy the Houthis' capability to do exactly what we're witnessing every single day now, and where he doesn't have to get approval on a daily basis or a weekly basis for what he's doing, he has the full authority to conduct the campaign against the Houthis as he sees fit, after giving them a general concept of what he intends to do.

And that would give him much more flexibility in what is taking place here, number one. Number two, you have to also stop the in-transit supply chain that Iran is using to provide them with these munitions and supplies to support them.

I know we're doing some of the interdiction, but we have got to make sure we're really all over it, that we shut it down. And then the third thing is -- and we have said this before, Neil -- we have got to hold Iran accountable here.

And we're not doing it. The IRGC are the directors here. They're the funders. They're the supporters. They're the financiers. And hold those leaders accountable for that wherever they are in Iran or in -- if you catch them in Yemen, but, believe me, they're doing everything they can not to be caught in Yemen, because safe haven is Iran, as of right now, with the Biden administration.

And then take some of their IRGC assets down. That doesn't mean we're going to war with Iran. We're not conducting a strike on Tehran full out like we did in Baghdad. The Iranians know the difference. They don't want any war with the United States. That's for sure.

They know what the outcome would be. It would be absolutely disastrous for the one thing that they're always going to be in support of, and that is protecting their regime. But those are the three things we have to do, take down their capability in Yemen, stop the in-transit, give the CENTCOM command a full authorities to execute a campaign, and also hold the Iranians accountable.

CAVUTO: General, thank you very much. Sorry for the truncated time with all of this breaking news. Always an honor talking to you, General. Much appreciated.

In the meantime, we're not lost about some different vibes we're getting on the American consumer, one major retailer where they're making money hand over fist, the other, well, hand over kind of pinkie -- after this.

(COMMERCIAL BREAK)

CAVUTO: All right, you know, Walmart doing OK, Home Depot also doing OK, but kind of showing that, well, when it comes to the latest numbers, people are still working on their homes, but these smaller -- these smaller home improvement projects.

Hitha Herzog follows this very closely and has a very good eye on the consumer. She was ahead of a lot of folks saying the consumer is going to prove very resilient coming out of COVID, and proven the case.

Now some signs, Hitha, I guess, that could be slowing down, I guess, depending on the retailer? How do you see things?

HITHA HERZOG, RETAIL WATCHER: Well, Neil, you can't look at retail earnings without looking at the bank earnings first.

So I want to point out the number of the credit provisions, the credit loss provisions, that Wells Fargo had reported when they reported out their earnings. It was at $1.3 billion. That's more than this time last year. And why is that important? That's the amount of money that is being defaulted on.

So where we are seeing the consumer going is that they were putting all of this money on their credit cards, and now they're realizing, with the increase in interest rates, they can't pay it off. They don't know what to do. They have been literally financing their lifestyles and their lives by groceries on their credit cards, buying discretionary goods on their credit cards.

Now they can't pay it off. So now you are seeing them pull back a little bit.

CAVUTO: All right. I don't know how aggressively they're pulling back right now, because I guess it depends on the retailer.

Like you said, Home Depot did need estimates, but noted customers are taking on these smaller projects, retail sales in general, month over month declining, year over year, still up a little bit, but not gangbusters. Is this the slowdown that you saw, or how bad does this get?

HERZOG: Well, the key word here is smaller projects. So when you go to Home Depot, usually, when you have a lot of money, you're going to make big renovations, right? You're going to spend a ton of money at Home Depot.

I spent a ton of money at Home Depot when I was doing my own little renovations in my apartment, but you are looking at smaller home renovations. So while these smaller projects are definitely happening, we have to think about how the consumer is financing that.

Access to credit is really easy for everyone right now, but how are they going to pay that back? So right now the consumer may feel like they are wealthier, but we are also seeing that slowdown, as we saw in the January numbers that was just reported out.

So I think that the consumer certainly felt wealthier and felt like they could spend more over the last couple of months, but as we head into the next couple quarters, we're going to see a slight slowdown.

CAVUTO: So you're saying we have run out of wiggle room, we have run out of credit lines and now we're running into trouble, essentially?

HERZOG: Exactly.

When people cannot pay back their balances off in a timely manner every month, that is what's going to cause the problem. People are going to start to hesitate. They're going to say, hold the horses. We are only going to spend on the things that we need on groceries that cost somewhere between $1 and $10, as we saw Target just announce with their new, even more discounted line for groceries and essentials.

CAVUTO: All right.

HERZOG: And they're going to move less away from dollar stores and into something like Target.

CAVUTO: Wow.

All right, well, this time, I hope you're wrong, Hitha, because that's not a good scenario. But we'll follow it closely.

(LAUGHTER)

HERZOG: I hope I'm wrong too.

CAVUTO: You have had an uncanny track record.

Hitha Herzog on all of that, the retail watcher, H Squared Research, the company.

All right, when we come back, you already know that Donald Trump has a busy legal docket, and he's got to come up with hundreds of millions of dollars relatively soon. That might not be such a big problem. The problem is whether he's allowed to do what he wants to do -- after this.

(COMMERCIAL BREAK)

CAVUTO: All right, Donald Trump is still appealing this latest financial judgment against him, to the tune of $355 million.

Now, if you consider what he has to put up in the E. Jean Carroll case, another $80-plus million, he has to unload a lot of properties just to make that collateral, if you will.

Andy McCarthy is a former assistant U.S. attorney, FOX News contributed, great at all these subjects. He proved very good at business reporters stuff, which scared me because I value job security.

(LAUGHTER)

CAVUTO: But, Andy, help me with just the math here. It is, for lots of folks, just unfathomable. But this is money that has to be put up, appeal or no appeal, right?

ANDY MCCARTHY, FOX NEWS CONTRIBUTOR: Yes, Neil, I think that most people -- because most of the cases that get a lot of media attention are criminal cases, and you get an automatic appeal in criminal cases, most people assume civil cases work the same way.

They don't. Courts are -- the way civil law works, courts want to make sure that you have -- that you're not appealing in order to achieve delay and that you have enough money to pay up if you lose. So you have to put up the money first, and that's going to be very difficult here, as you just said.

CAVUTO: And some of these are the very properties that are in question, and whether he's allowed to put them up, right? I mean, explain that and how that would work.

MCCARTHY: Well, he should be allowed to put up any property that he has that's his that he's unquestioned got title to.

But like a lot -- there's a lot of encumbrances on his properties.

CAVUTO: Yes.

MCCARTHY: And his company is now under monitoring, which is going to greatly restrict his wiggle room.

And I think the other thing, Neil, that has to be thrown into the mix here is, he's got a lot of current business expenses. Totally apart from the fact that he's looking at criminal trials, the fact that he's running for president, he runs a multibillion-dollar conglomerate that has a lot of debt.

CAVUTO: Yes.

MCCARTHY: And he's got a lot of payments coming due, which he has to manage in conjunction with these appeals.

CAVUTO: And it's not as if he could just simply borrow against his holdings, which a lot of people can do. A lot of people with large brokerage accounts, bank accounts, they can borrow against those to buy a home or what have you.

There are limitations in this settlement here on doing that, right? Because, for the next three years, he can't do that kind of thing.

MCCARTHY: Well, there's limitations to -- yes, there's limitations to what he could do in New York, because that's what the judgment affects technically.

CAVUTO: Right.

MCCARTHY: But if you broaden it out, Neil, who's going to lend him money under these circumstances?

All of these corporations, these financial institutions, all are public companies. They all have stockholders. Management's fealty is to the stockholder, even if they have enjoyed doing business with Trump in the past. And he's not the same loan risk today as he was even a week ago.

CAVUTO: So, whatever your ***politics***, he might be deemed risky for you, right, as a lender?

MCCARTHY: Yes.

CAVUTO: Yes.

MCCARTHY: And I think this goes -- this is why this transcends Trump. It seems to me that this is about what the business climate in New York is, because if they can do this to him...

CAVUTO: OK.

MCCARTHY: ... on the very vague statute that they did it on, they can really do it to anyone.

CAVUTO: All right, this is enough of you playing the excellent business reporter you are, Andy. We're not going to let this happen again.

Andrew McCarthy on that, but he's right with all these details.

Now here comes "The Five."

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