

Trump: Transition going 'so smoothly'

Others describe turmoil, internal fights for power as appointments are considered

By JULIE PACE and KEN THOMAS
Associated Press

NEW YORK — President-elect Donald Trump and his team on Wednesday vigorously rejected charges of turmoil and infighting roiling efforts to set up his White House, national security and economic teams. A week after his upset victory, Trump said the enormous endeavor was proceeding "so smoothly."

Trump dished out his rebuttal on Twitter, spending yet another day ensconced in his New York skyscraper, beyond the public eye. Aides and allies vouched for the transition efforts on his behalf, suggesting some commotion was to be expected.

"The beginning of any transition like this has turmoil because it's just the nature of the process," former House Speaker Newt Gingrich said as he left Trump's transition headquarters in Washington. He said the picture of Trump's administration would become clearer over the next two or three weeks.

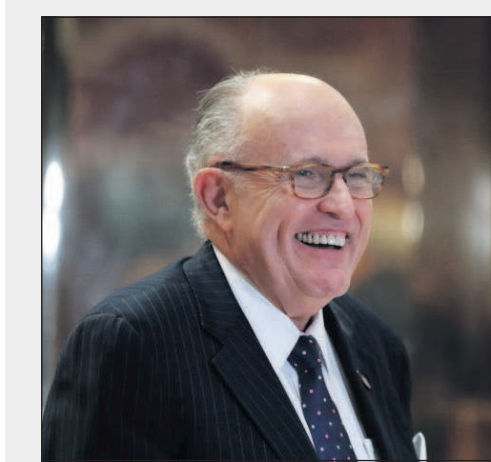
Others close to the transition process described advisers "fighting for power." Trump has long stoked internal rivalries among his staff — both in his businesses and his campaign — and has created ambiguity in his transition about who has authority to make key decisions.

Eric Trump, the president-elect's son, raised expectations of imminent progress Wednesday, telling reporters in the morning that appointments were "likely" to come during the day. Then, other Trump aides suggested a slower pace.

"We're not going to rush to put names forward until we're absolutely sure," Trump spokesman Jason Miller said hours later. "We're going to make sure that they're people we're confident will pass confirmation and we think



Vice President-elect Mike Pence walks past the media as he leaves Trump Tower with his wife Karen, Tuesday, in New York.



Former New York Mayor Rudy Giuliani arrives at Trump Tower, Wednesday in New York.

Giuliani's foreign work complicates candidacy for secretary of state

WASHINGTON (AP) — Rudy Giuliani, President-elect Donald Trump's top candidate for top diplomat, has advised foreign political figures and worked for lobbying and security firms whose clients have had complicated relationships with the U.S. government.

Some of the political figures had ties to nationalist movements. While not personally involved in lobbying, Giuliani spent years at firms which represented governments and multinational companies with interests that diverged from those of the United States.

He made speeches demanding the State Department remove an Iranian opposition group from a U.S. terror blacklist.

As the former New York mayor waits to discover if he is Trump's choice for secretary of state, Giuliani's extensive consulting and advising work for foreign and corporate clients could expose him to the same criticisms he raised about former Secretary of State Hillary Clinton's ties to foreign governments and corporations that had donated to her family charity, the Clinton Foundation.

can implement the president-elect's vision."

Trump's team noted that President Barack Obama waited until a few weeks after the 2008 election to announce many of his Cabinet appointments.

And former Michigan Rep. Pete Hoekstra, who has informally advised members of Trump's national security team, blamed Trump's detractors for the reports of drama.

"When you're doing a

transition that is trying to push the kind of change that Mr. Trump wants to be doing, it's going to be even harder," Hoekstra, a former House Intelligence Committee chairman, said.

The incoming Republican administration also got a boost of support from outgoing Vice President Joe Biden, who met with his successor, Mike Pence, continuing the Obama administration's show of public support for the tran-

sition. "No administration is ready on Day One," Biden said following the meeting at the Naval Observatory, which serves as the vice presidential residence. He expressed confidence that by Trump's Jan. 20 inauguration, "everything will be in good hands."

Trump's team was essentially starting from scratch, scrapping much of the preliminary transition work New Jersey Gov. Chris

Christie conducted during the campaign. After winning the election, Trump demoted Christie and put Pence in charge.

The result has been a series of new additions to the transition team and several departures, mainly among those aligned with Christie. Kevin O'Connor, a former senior Justice Department official, joined that group.

Trump appeared to be weighing an eclectic mix of individuals for top

Cabinet posts, including longtime loyalists, former rivals and even a Democrat. A senior transition official said Trump's team met Wednesday with Eva Moskowitz, a former New York councilwoman and charter school founder who is being considered for education secretary.

Others who passed through the marble lobby of Trump Tower included Rep. Tom Price, R-Ga., a potential pick for Health and Human Services, and Ray Washburne, a Dallas businessman and top GOP fundraiser in the mix for Commerce secretary. New England Patriots' owner Robert Kraft also entered the gilded elevators for meetings.

Former New York Mayor Rudy Giuliani, who arrived Wednesday afternoon, has been angling for secretary of state, though his consulting work for foreign governments has emerged as a potential roadblock. Trump is also said to be seriously considering John Bolton, a former U.S. ambassador to the United Nations, for the top diplomatic job.

Texas Sen. Ted Cruz, who tangled ferociously with Trump during the Republican primary but ultimately endorsed the businessman, could get a top job such as attorney general. An official said, however, he is not viewed as a top contender. The official, like others, wasn't authorized to speak publicly on the transition talks and spoke on condition of anonymity.

Trump aides have released few details about the president-elect's schedule or phone calls since the election. They tried to play catch-up Wednesday, releasing a list of 29 world leaders who have spoken with Trump or Pence in recent days. Most of the calls had previously only been confirmed by those leaders' governments.

Trump planned to meet Thursday in New York with Japanese Prime Minister Shinzo Abe, his first get-together with a world leader as president-elect. The State Department has said it had yet to hear from Trump's transition team, raising the prospect of the Republican holding the meeting without any input from career diplomats with deep experience dealing with Japan.

McConnell to lead Senate GOP, Schumer new Democratic leader

By ALAN FRAM
Associated Press

WASHINGTON — Senate Republicans re-elected Mitch McConnell on Wednesday to be majority leader next year while Democrats picked Chuck Schumer to lead them, setting the chief actors as the chamber prepares for an agenda that will be dominated by Donald Trump and the GOP.

McConnell, 74, is a discreet but deadly master of the Senate's legislative chess game. His role will be to steer GOP bills to the desk of a president whose name he barely spoke during a tumultuous campaign in which many Republicans viewed Trump and his incendiary comments on Muslims, veterans and others as political poison.

"It's time to accept the results of the election, to lower the tone and to see what we can do together to make progress for the country," McConnell, from Kentucky, told reporters Wednesday.

As Senate minority leader, Schumer will assume his weakened party's most powerful remaining post as it struggles to define its role in a Republican-dominated government.

The New Yorker's ascension from his No. 3 spot has been a virtual lock since last year, when he quickly

cemented votes for the top job after current Minority Leader Harry Reid, D-Nev., announced he'd retire. Most of each party's leaders will remain in their posts next year, an ironic stability following an election that seemed to show a demand by voters for change.

McConnell and Schumer faced no opposition at separate closed-door meetings. Later Wednesday, Schumer visited McConnell in his office, telling a reporter afterward: "First meeting. Working out things."

Republicans will control the White House, House and Senate but their potential Achilles' heel is the Senate, which they will dominate 52-48. Assuming Republicans don't

eliminate the rule allowing filibusters, Schumer should be able to keep the GOP from the 60 votes they'd need on some issues to break the procedural delays, potential leverage for bargains.

"Where we can work together we will," Schumer told reporters about Trump, with whom he shares an affection for TV soundbites and sharp elbows. But Schumer said he's also told the president-elect, "On issues where we disagree, you can expect a strong and tough fight."

Schumer has mentioned infrastructure as an area of possible cooperation.



McConnell



Schumer

Trump businesses could create conflicts

By BERNARD CONDON
AP Business Writer

NEW YORK — Asked on TV earlier this year whether a President Donald Trump would ever mix politics with business, his eldest son, Donald Jr., said there was no risk of that. The son, an executive in his father's company, insisted the two wouldn't discuss the business if Dad ever got to the White House.

Then Donald Jr. added two words: "Trust me."

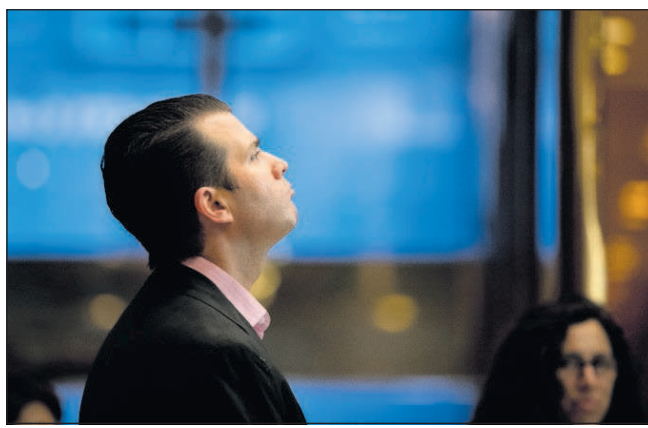
The American people may have little choice.

The tradition stretching back to Jimmy Carter in the late 1970s is for presidents to put personal holdings such as stocks into a "blind trust" run by an independent trustee with no ties to the occupant of the Oval Office. But as with so many other areas of politics, Trump looks ready to upend this time-honored practice.

Trump's plans to hand control of his Trump Organization to three of his adult children and not a trustee cannot be considered a blind trust, said Kenneth Gross, head of political law at the firm Skadden, Arps, Slate, Meagher & Flom.

Even if the president-elect were to appoint a trustee with no family ties, that would probably not remove the potential for Trump to use his new power over policy to enrich himself. Liquidating Trump's holdings would be difficult, and so he would always be aware of what assets he holds.

Voters have long worried about elected officials using their power to line their pockets — or those of business partners — and shape policies to advance their



Donald Trump Jr. waits for an elevator at Trump Tower on Tuesday in New York.



People carry umbrellas against the rain outside the Trump Tower building on Fifth Avenue in New York.

private interests. But rarely has an incoming president represented such potential for conflicts of interest.

No previous commander in chief has brought with him such a sprawling business empire with so much complexity, opaqueness and opportunity for self-dealing.

Trump owns golf clubs, office towers and other properties in several countries. He holds ownership stakes in more than 500 companies. He has struck licensing deals for use of his name on hotels and other buildings around the world and has been landing new business in even more coun-

tries — in the Middle East, India and South America.

Gross calls Trump's holdings "unprecedented" in size and complexity for a president, a "tangled web" of potential conflicts that would be difficult to unravel.

As it turns out, Trump doesn't even have to try.

Presidents are not required to set up blind trusts. In fact, they can even run a business from the White House, though Trump has said he will not. Federal ethics rules put strict limits on nearly all government employees and elected officials to prevent self-dealing,

but the rules do not apply to the president.

One area where the public interest could clash with the personal involves Trump's influence over federal agencies whose decisions affect his businesses.

In turning the government-owned Old Post Office into his new Washington hotel, Trump struck a complex rental and management deal with the General Services Administration. As president, he will appoint the head of the GSA.

And one of Trump's lenders, Deutsche Bank, is in settlement talks with the Justice Department over its role in the mortgage blowup that sparked the 2008 financial crisis. Trump will appoint the head of that agency, too.

For his part, Trump has dismissed the idea that he is even interested in his business now. In an interview with CBS' "60 Minutes" on Sunday, he said he was fully engaged in efforts to "save our country."

"I don't care about hotel occupancy," he added. He called matters like that "peanuts."

The Trump Organization said in a statement that it is "vetting various structures" with the goal of transferring management to three of Trump's children, along with a "team of highly skilled executives."

Carter started the tradition of presidential blind trusts when he put his peanut farm in one. All the presidents who followed also set up one, according to Gross, save for Barack Obama, who mostly had holdings in plain-vanilla index funds.