

# Trump's Cabinet: 'Draining the swamp' or diving right in?

Associated Press

WASHINGTON — Donald Trump promised to “drain the swamp” in the nation’s capital. Instead, he’s diving right in.

So far, the president-elect is tapping people with deep ties to Washington and Wall Street as he fills out his Cabinet, turning to two power centers he vilified as greedy, corrupt and out of touch with Americans during his White House campaign. His choices have won praise from Republicans relieved by his more conventional choices, but could risk angering voters who rallied behind his calls for upending the political system.

Two of Trump’s early picks are wealthy financial industry insiders with ties to the kinds of institutions he railed against as a candidate. Elaine Chao, his choice for transportation secretary and an accomplished political figure in her own right, is married to Senate Majority Leader Mitch McConnell — blending family and political power in a way Trump fiercely criticized campaign rival Hillary Clinton for. Jeff Sessions, Trump’s selection for attorney general, has spent two decades in the Senate, and Tom Price, his health and human services nominee, is a six-term congressman.

The gap between Trump’s campaign rhetoric and his governing decisions is most striking regarding his emerging economic team. On Wednesday, he announced that he planned to nominate former

Goldman Sachs executive Steven Mnuchin as his Treasury secretary and billionaire investor Wilbur Ross to lead the Commerce Department.

As a candidate, Trump said Wall Street had created “tremendous problems” for the country. He included the CEO of Goldman Sachs in a television advertisement that accused global financial powers of having “robbed our working class.”

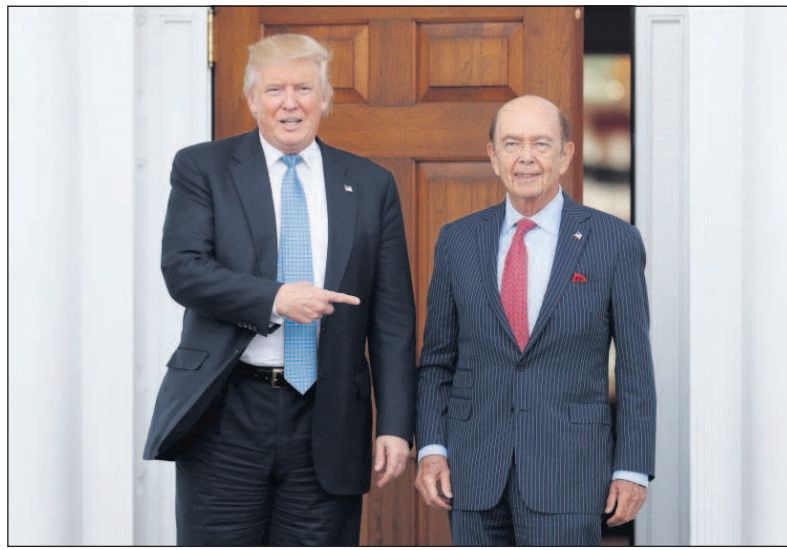
Mnuchin and Ross also have financial links to Trump’s White House bid, with Mnuchin having led the campaign’s fundraising efforts. Trump repeatedly bragged that his personal wealth — he mostly self-funded his campaign during the primaries — meant he would not be beholden to donors who might expect their financial contributions to be repaid with powerful jobs or insider access.

“I can’t be bought,” Trump said during the campaign. “I won’t owe anybody anything.”

Trump’s transition team brushed aside questions about whether there are inconsistencies between the president-elect’s campaign rhetoric and his Cabinet picks.

“These are experts who know how to win,” spokesman Jason Miller said Wednesday.

By picking billionaires, as well as a smattering of millionaires, for his Cabinet, Trump is asking voters to trust that privileged insiders can help a stressed and dispirited middle class — even though he, like past presidential candidates, promised he would change that dynamic.



In this Nov. 20 file photo, President-elect Donald Trump, left, stands with investor Wilbur Ross after meeting at the Trump National Golf Club Bedminster clubhouse in Bedminster, N.J.

Few of his choices have outwardly displayed much of a common touch. Many live surrounded by a level of wealth that most Americans struggle to fathom — and prospered in recent decades as many Americans coped with stagnant incomes.

Not only did Mnuchin once work at Goldman Sachs, but so did his father.

After leaving the investment bank in 2002, the Yale graduate pivoted into hedge fund management and producing blockbuster movies such as “Batman vs Superman: Dawn of Justice.” Mnuchin invested in the wreckage of the housing crisis, scooping up the troubled bank IndyMac and

turning a \$1.6 billion profit in under a year as millions of Americans endured foreclosure.

Ross orbits a similar world as Trump, as both of them have luxurious homes in Manhattan and Palm Beach, Florida. The billionaire investor bought up many struggling steel, auto and coal firms in the industrial Midwest at a steep discount and sold them for steep profits, even as factory and mining jobs at the core of American identity disappeared.

Chao is the offspring of a Chinese shipping magnate, in addition to serving on the boards of Wells Fargo bank, Dole Food and News Corp., the parent of Fox

News. Education Secretary Betsy DeVos, the wealthiest of Trump’s Cabinet nominees thus far, married into the family that started the sales company Amway.

Trump and other Republicans spent months warning voters that a possible Clinton administration would be lined with Wall Street insiders, campaign donors and other special interest hires. But GOP officials have raised no such concerns about Trump’s picks.

If anything, some Republicans appear relieved. Many of Trump’s picks are cut from a more traditional Republican mold and share the party’s ideological preferences, in some cases more so than Trump himself.

“The picks so far have been fantastic and well-received by Republicans and conservatives of all stripes,” said Cesar Conda, the former chief of staff for Florida Sen. Marco Rubio. “Trump is unifying the party, which is essential to getting his agenda enacted.”

House Speaker Paul Ryan, a lukewarm Trump supporter for much of the campaign, praised the economic picks Wednesday, saying he was “excited to get to work with this strong team.”

Trump is still weighing his choices for several Cabinet posts, including secretary of state. Among the leading contenders: millionaire businessman Mitt Romney, the 2012 GOP presidential nominee, and millionaire lawyer Rudy Giuliani, the former New York City mayor.

## House Democrats re-elect Pelosi as leader despite discontent

WASHINGTON (AP) — House Democrats re-elected Nancy Pelosi as their leader Wednesday, ratifying the status quo in a changing Washington despite widespread frustration over the party’s direction.

That disenchantment manifested itself in 63 lawmakers supporting Pelosi’s opponent, Ohio Rep. Tim Ryan, in the secret-ballot vote. That was by far the largest defection Pelosi has suffered since she began leading House Democrats in 2002.

Still, the California lawmaker had declared ahead of time that more than two-thirds of the caucus was supporting her, and she won almost exactly two-thirds with 134 votes. It was a testament to her vote-counting skills and to her ability to hang onto power even in dark days for Democrats, as they confront a capital that will be fully controlled by the GOP next year.

“I have a special spring in my step today because this opportunity is a special one, to lead the House Democrats, bring everyone together as we go forward,” Pelosi said after the vote, appearing elated in her victory.

She disputed the suggestion that she might be concerned about the defections she suffered. “They weren’t defections, I had two-thirds of the vote,” Pelosi said, repeating “two-thirds, two-thirds” to a group of assembled reporters.

And she insisted Democrats would rebound. “We know how to win elections. We’ve done it in the past, we will do it again.”

Supporters said the 76-year-old Pelosi was their best bet to confront a President Donald Trump from the minority after Democrats picked up only a half-dozen seats in the House, far fewer than anticipated and well below Pelosi’s predictions. Republicans are on track to hold at least 240 seats in the House next year, while Democrats will have 194.

For their part, Ryan and his backers insisted that they had won a victory in sending a message to Pelosi about the significant desire for change among House Democrats.

“Somebody had to do something,” said



Pelosi

Ryan, a seven-term lawmaker who before now had been largely a back-bencher. “Our prospects have improved just because of this conversation.”

Yet Democrats’ marginalized status was evident as Ryan struggled to answer a question about who would lead the party forward, before concluding: “We’re all going to participate in leading the party.”

Leadership elections were originally scheduled to be held before Thanksgiving but were delayed to give Democrats more time to consider a path forward. Lawmakers expressed frustration over a range of issues, including stagnant leadership in their caucus, and Democrats’ failures to connect with white working class voters.

“I’m very concerned we just signed the Democratic party’s death certificate ... unless we change what we are talking about, which is really the working man and woman’s agenda,” said Rep. Kurt Schrader of Oregon.

Pelosi has earned respect and loyalty from many Democrats over the years, including as a powerhouse fundraiser, raising over \$140 million for Democrats in the 2016 cycle, and as a skilled legislative tactician. As speaker in 2009 she steered Obama’s health care law through the House and also pushed through a divisive bill to cap carbon emissions, but Democrats suffered massive losses in midterm elections the next year and lost their majority.

Pelosi’s victory Wednesday came only after she promised some changes to assuage concerns in her caucus, including adding a member of the freshmen class to her leadership team and creating a handful of other titled positions. But her proposals do little to ensure new blood at the very top or change the seniority system that has key committees led by lawmakers in their 80s at a moment when the party needs to be defending the health care law and other initiatives dear to Democrats.

Some House Democrats did not hide their disappointment at the outcome.

“It is obvious the current strategy doesn’t work,” said Rep. Kyrsten Sinema of Arizona.

## Conflict rules hardly the same for president, others

WASHINGTON (AP) — Rep. David McKinley has sold his West Virginia engineering and architecture firm, but it still bears his name — and that earned the Republican congressman a rebuke from the House Ethics Committee.

President-elect Donald Trump has built an international property management, real estate and branding business around his name. There appears to be no consequence for that.

When it comes to ethics, not all government employees and elected officials are regulated equally. What’s a serious matter for a second-term congressman with a small business has no equivalent for a president with a multibillion-dollar empire.

The government’s legislative and judicial branches are governed by well-established rules, but there’s far less clarity about what a president can and cannot do. Conflict of interest provisions are generally looser, though Democrat Jimmy Carter, Republican George W. Bush and many other recent presidents took care to separate themselves from their businesses.

Trump tweeted Wednesday that he would soon announce his plans to step back from his company while he is president. He wrote that “legal documents are being crafted which take me completely out of business operations.”

Many serious questions remain: Will he retain an ownership stake? Will, as top aide Kellyanne Conway suggested, his adult children own and run the business? If they do take over the Trump Organization, will they continue to be involved in Trump’s administration, as they have been?

Spokesmen for Trump’s transition and the Trump Organization have not provided details.

While Trump develops his plan, ethics lawyers and good-government groups are reviewing laws, past cases and best practices — as well as issues of who would even have the standing to call out a president for possible conflict of interest violations.

As Danielle Brian, executive director of the Project on Government Oversight, put it, “We’re researching things that hadn’t even been considered before.”

“We have never had a president with these enormous business conflicts domestically and globally,” said Norman Eisen, who served as President Barack Obama’s first White House ethics czar. “What’s more, we’ve never had a president



In this Nov. 9 file photo, President-elect Donald Trump speaks in New York.

who seems to insist on breaking the precedent set by every previous president for at least four decades of doing a true blind trust or its equivalent.”

Eisen and Richard Painter, who held an equivalent position under Bush, wrote in a joint statement Wednesday that it’s not enough for Trump to simply step away from company operations.

“Without an ethics firewall that is set up at once and continues into the administration, scandal is sure to follow,” they wrote.

Self-policing has been common in recent presidencies, as well as in the legislative and judicial branches.

Congress’ adherence to ethics rules stems from its ability to regulate itself. That was the case with McKinley, who violated a provision that a fiduciary business such as an architecture firm is barred from using the name of a government employee such as a congressman.

Lawmakers “are attuned to views of the voters and perception of undue conflicts,” said Andrew Herman, a Washington attorney who specializes in congressional ethics. “That’s why they’ve tended to have stringent ethics rules and committees to enforce them.”

Trump has broadly asserted that he is not hemmed in by conflict of interest laws. “The law is totally on my side,” Trump told The New York Times last week.

Herman and other attorneys say that while the president and vice president are exempt from the federal conflict of interest statute, the country’s founders drew a bright line at accepting foreign gifts.

That ban is captured in an antique-sounding part of the Constitution called the emoluments clause.

It could pose a problem for Trump because he does business all over the world. Even his domestic operations, such as his new hotel in Washington, could trip him. Arthur Hellman, an

ethicist at the University of Pittsburgh, said he does not believe any U.S. court, much less the Supreme Court, has ever interpreted the emoluments clause. “There is nothing that sheds much light on questions raised by foreign officials giving something or engaging in activities that could be construed as emoluments to Trump or his businesses.”

However, a violation might be difficult to challenge in court, Hellman said. “It’s hard to imagine anyone would have standing,” he said. Other legal experts have said that perhaps a business competitor would have the right to litigate.

At Democrats’ request, the Congressional Research Service recently put out brief guidance on what rules “might technically” apply to the president.

Among them is the emoluments clause, a prohibition on employing relatives, and bribery provisions.

Another sticky issue: Trump’s conflicts haven’t been fully illuminated.

As a candidate, he filed financial disclosures as required by federal law, including assets of more than \$1.4 billion and debt of at least \$265 million. He has separately boasted that his net worth is \$10 billion.

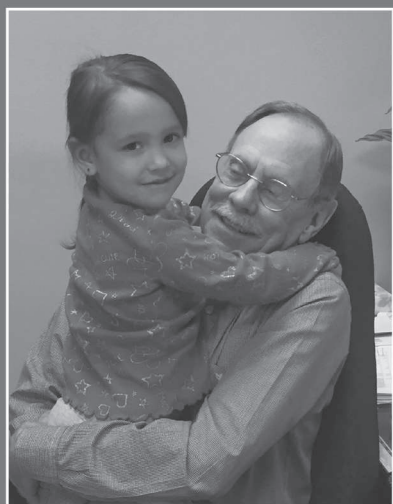
But unlike all recent major party presidential candidates, he did not make public his tax returns, shielding from view the full scope of his business entanglements.

It’s also uncertain whether Trump will file a new disclosure of his wealth within the first year after he takes office in January, as previous presidents have done, or wait until required by law, in its May 2018.

Such quandaries thrust Congress into an important watchdog role.

Few Republicans have raised red flags. Rep. Justin Amash, a Michigan Republican and frequent Trump critic, tweeted last week that “it’s certainly a big deal” if Trump has contracts with foreign governments.

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