



## Steven Mnuchin: Donald Trump expected to name billionaire banker as Treasury secretary pick

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Donald Trump is expected to name former Goldman Sachs and OneWest banker, Steven Mnuchin, as his pick for treasury secretary on Wednesday. Mnuchin's name has been floated for weeks as a possible candidate for the role after having served on Trump's campaign as its national finance director beginning in early April soon after Trump won the New York primary. Mnuchin and Trump have been long-time friends, according to a *New York Times* story written in May shortly after Mnuchin accepted the role with the now-president-elect's campaign.

While it may come as little surprise that Trump, who claims to place a high value on loyalty, would choose a long-time friend who worked diligently on his campaign for a top position in his administration, the choice of Steven Mnuchin for secretary of the treasury is sure to raise some eyebrows, both among Trump's opponents and even among some of his supporters who, as speculated on the blog *Zero Hedge* and other outlets, hoped he might be considering former banking CEO and anti-Federal-Reserve libertarian John Allison of the Cato Institute to head his Treasury Department.

Trump did, after all, in much of his campaign rhetoric take a populist stance against Wall Street, even once attacking his primary opponent, Ted Cruz, whose wife is an executive at Goldman Sachs, for taking out a loan from that company to fund his 2012 Senate campaign, according to a story on *Politifact*.

But while Steven Mnuchin may not be the favorite pick for people who otherwise like and support Donald Trump, there could be some elements in Mnuchin's history which will raise serious red flags for anyone predisposed to uneasiness over anything Donald Trump does. After graduating from Yale, Mnuchin started working at Goldman Sachs, where his father had been a long-time partner. At Goldman Sachs Mnuchin was in charge of overseeing the trading and sales of municipal and mortgage-backed bonds and of government and money-market securities, according to the *New York Times*. After making millions at Goldman Sachs, Mnuchin worked for a brief period at Soros Fund Management, owned by billionaire investor George Soros. He then went on to co-found a Hollywood production company, RatPac-Dune Entertainment, which has produced a number of *X-men* films and the highly successful *Avatar*.

In 2009 RatPac-Dune Entertainment purchased the failed housing lender IndyMac, renamed it OneWest, and Mnuchin served as its chairman, the *New York Times* reports. It is during his tenure with OneWest, prior to it being sold to small-business lender CIT, that Mnuchin's record could come under some intense scrutiny.

OneWest was the subject of a number of wrongful foreclosure lawsuits, including one filed in San Luis Obispo County, California, which resulted in OneWest reaching a seven-figure settlement with the plaintiffs. A formal housing discrimination complaint was also filed earlier this year with the federal government against CIT alleging improprieties said to have occurred before the lending giant purchased OneWest. That complaint is currently under investigation by the Department of Housing and Urban Development. *The Wall Street Journal* also reports that CIT was forced to pay a \$230 million charge in July 2015 to clean up OneWest's accounting problems.

Trump's cabinet is starting to look like it will have no shortage of billionaires to keep Trump company. In addition to the possibility of Trump naming Steven Mnuchin as his pick for treasury secretary, the president-elect has already named billionaire Betsy Devos as his choice for education secretary, and he is expected to name billionaire and former investment banker Wilbur Ross as his commerce secretary. Other people in Trump's growing inner political circle include millionaires such as Steve Bannon and Ben Carson, and there may or may not be truth to the rumors swirling that Mitt Romney will be named his pick for secretary of state.

Donald Trump positioned himself throughout his campaign as a political outsider focused on "draining the swamp" in Washington. Steven Mnuchin as treasury secretary could be another in a series of post-election moves signaling that Trump may not be as "anti-establishment" as much of his campaign rhetoric seemed designed to imply.