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## Trump picks Wall Street lawyer Clayton to head SEC

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Donald Trump's choice of Jay Clayton, a lawyer with ties to Goldman Sachs, to lead the Securities and Exchange Commission drew criticism from Democrats and even some conservatives disappointed that the president-elect has tapped yet another ally of Wall Street.

Clayton, a partner at law firm Sullivan & Cromwell, has broad experience in private equity and in helping companies with initial public offerings, mergers and acquisitions, continuing a string of Trump appointees with dealmaking experience.

He worked on the \$25 billion IPO for Chinese e-commerce company Alibaba Group and the 2014 IPO for Moelis & Co., an investment bank where former House Majority Leader Eric Cantor is a managing director.

Sullivan & Cromwell also has a long relationship with Goldman Sachs, and Clayton worked with the bank on its \$5 billion lifeline investment by Warren Buffett's Berkshire Hathaway during the height of the 2008 financial crisis.

“It's hard to see how an attorney who's spent his career helping Wall Street beat the rap will keep President-elect Trump's promise to stop big banks and hedge funds from ‘getting away with murder,’” Sen. Sherrod Brown, an Ohio Democrat and ranking member of the Banking Committee, said in a statement.

Clayton's nomination is yet another big win for Goldman, which was a target of withering criticism by Trump during the presidential campaign but has seen a number of its executives, alumni and allies offered jobs in the new administration.

These include Steven Mnuchin, a hedge-fund manager and former Goldman trader, tapped to be Treasury secretary; Steve Bannon, who will be a top White House adviser to Trump, and Gary Cohn, Goldman's longtime president who was named director of the National Economic Council.

Clayton also drew some fire from conservatives, who are not happy seeing the same Wall Street types appear in Trump's administration.

"This is not somebody who has really strident ideological convictions," said Thaya Brook Knight, the associate director of financial regulation studies at the libertarian Cato Institute. "This is a very establishment kind of guy."

Still, no Senate Republicans voiced opposition to Clayton, suggesting that his confirmation probably won't be difficult.

Little is known about his positions on regulation and enforcement. His nomination to head the SEC caught many people off guard in Washington, where he is not well-known and is described by some as not politically partisan. Clayton has contributed to both Democrats and Republicans over the years, including President Barack Obama, Sen. Chuck Schumer and Jeb Bush, campaign disclosures show.

In a statement released by the Trump transition team, Clayton said his focus at the SEC would be on promoting growth.

"We will carefully monitor our financial sector, as we set policy that encourages American companies to do what they do best: create jobs," he said.

That's likely to translate into looser regulations for companies that will allow them to raise cash more easily, one analyst said.

"The inference has been that he will make the SEC friendlier to companies trying to raise capital while focusing less on enforcement given his lack of experience on that front," said Jaret Seiberg, an analyst with Cowen and Co.

Clayton would succeed outgoing SEC Chair Mary Jo White, who also came to the agency from a New York law firm. But her background was in enforcement, and she was nominated by Obama to crack down on Wall Street misbehavior.

The SEC oversees a wide range of businesses, from stock markets to accounting firms. Congress set the SEC's fiscal 2016 budget at \$1.68 billion. The agency has about 4,300 full-time employees.