

The White House as Donald Trump's New Casino

Yes, He Is Running America Like One of His Businesses

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During the 2016 election campaign, Donald Trump repeatedly emphasized that our country was run terribly and needed a businessman at its helm. Upon winning the White House, he [insisted](#) that the problem had been solved, adding, "In theory, I could run my business perfectly and then run the country perfectly. There's never been a case like this."

Sure enough, while Hillary Clinton spent her time excoriating her opponent for not releasing his tax returns, Americans ultimately embraced the candidate who had proudly and openly dodged their exposure. And why not? It's in the American ethos to disdain "the man" — especially the taxman. In an election turned reality TV show, who could resist watching a larger-than-life conman who had taken money from the government?

Now, give him credit. As president, The Donald has done just what he promised the American people he would do: run the country like he ran his businesses. At one point, he even [displayed](#) confusion about distinguishing between them when he said of the United States: "We're a very powerful company — country."

Of course, as Hillary Clinton rarely bothered to point out, he ran many of them using excess debt, deception, and distraction, while a number of the ones he guided personally (as opposed to just licensing them the use of his name) — including his [five Atlantic City casinos](#), [his airline](#), and a [mortgage company](#) — he ran into the ground and then ditched. He escaped relatively unscathed financially, while his investors and countless workers and small businesses to whom he owed money were left holding the bag. We may never fully know what lurks deep within those tax returns of his, but we already know that they were "creative" in nature. As he likes to [put it](#), not paying taxes "makes me smart."

To complete the analogy Trump made during the election campaign, he's running the country on the very same instincts he used with those businesses and undoubtedly with just the same sense of self-protectiveness. Take the corporate tax policy he advocates that's being promoted by his [bank-raider](#) turned Treasury secretary, Steve Mnuchin. It's focused on lowering the tax rate for multinational corporations from 35% to 15%, further aiding the profitability of companies that already routinely squirrel away profits and hide losses in the crevices of tax havens far removed from public disclosure.

We, as citizens, already bear the brunt of [89%](#) of U.S. tax revenues today. If adopted, the new tax structure would simply throw yet more of the government's bill in our laps. Against this backdrop, the math of middle-class tax relief doesn't work out — not unless you were to cut [\\$4.3 trillion](#) from the overall budget for just the kinds of items non-billionaires count on like Medicaid, education, housing assistance, and job training.

Or put another way, Trump's West Wing is now advocating the very policy he railed against in the election campaign when he was still championing the everyday man. By promoting tax reform for mega-corporations and the moguls who run them, he's neglecting the "forgotten" white working class that sent him to the Oval Office to "drain the swamp."

Since entering the White House, he's also begun to isolate our country from the global economy, essentially pushing other nations to engage in more trade with each other, not the United States. Whether physically [shoving](#) aside the leader of Montenegro, engaging in tweet-storms with the [President of Mexico](#) over his "[big, fat, beautiful wall](#)," or [hanging up](#) on the prime minister of Australia, Trump has seemingly forgotten that diplomacy and trade matter to the actual American economy. His version of "America First" has taken aim at immigrants, multinational trade agreements, [regulations](#), and the [U.N.](#) Calvin Coolidge acted in a somewhat similar (if far less flamboyant) manner and you remember where that led: to the devastating crash of 1929 and the Great Depression of the 1930s.

What's In a Shell?

As a new report by [Public Citizen](#) makes clear, the glimpses we've gotten of inner Trumpworld from the president's limited financial disclosures indicate that his business dealings, by design, couldn't be more complex, shadowy, or filled with corporate subterfuge. He excels, among other things, at using shell companies to hide the Trump Organization's profits (and losses) in the corporate labyrinth that makes up his empire. And even though the supposedly blind trust run by his sons is designed to shield him from that imperial entity's decision-making, it still potentially allows him maneuver room to increase his own fortune and glean profits along the way.

So, what's in such a shell? The answer: another shell, a company that usually has no employees, no offices, and no traceable capital. Think of such entities as financial gargoyles. They offer no real benefits to the economy, create no jobs, and do nothing to make America great again. However, they have the potential to do a great deal for the bottom lines of Donald Trump and his offspring.

Think of the corporate shell game he's been engaged in as his oyster. After all, anonymous buyers now make up the majority of those gobbling up pieces of his empire. Two years prior to his presidential victory, only 4% of the companies affiliated with people buying his properties were limited-liability, or LLC corporations, which are secretive in nature. Following his victory, that number jumped to 70%.

What that means in plain English is that there's simply no way of knowing who most of those investing in Trump properties actually are, what countries they come from, how they made their fortunes, or whether there might be any conflicts between their buy-ins to Trumpworld and the national interest of this country.

Trump Lawsuits Meet Pennsylvania Avenue

Secret as so many of his dealings may be, there's a very public aspect to them that Donald Trump has brought directly into the White House: his [pattern of being sued](#). He's already been sued 134 times in federal court since he assumed the presidency. (Barack Obama had 26 suits against him and George W. Bush seven at the same moment in their presidencies.)

In other words, one of the nation's most litigious billionaires is in the process of becoming its

most litigious president. A pre-election [analysis](#) in *USA Today* found that Trump and his businesses had been “involved in at least 3,500 legal actions in federal and state courts” over the previous three decades. That volume of lawsuits was unprecedented for a presidential candidate, let alone a president.

It’s fair to say that the public will, in one fashion or another, bear some of the expenses from such lawsuits, as it will, of course, from a lengthening list of ongoing federal investigations, including [those](#) into Trump’s business dealings with wealthy Russian businessmen and their various affiliates. According to [Public Citizen](#), Trump formed at least 49 new business entities since announcing his candidacy (including some that were created after he was sworn in as CEO-in-chief). Of those 49, about half were related to projects in foreign countries, including Argentina, India, Saudi Arabia, and Indonesia. Since entering the Oval Office, Trump has met with leaders from each of those countries. And while it’s hardly atypical of a President to meet with foreign leaders, in this case there can be little doubt that national policy overlaps with private interests big time.

As Public Citizen concluded,

“Although just prior to being inaugurated as president, Trump announced plans to ‘separate’ himself from his business empire, he still maintains ownership in his corporations and merely reshuffled his businesses into holding companies that are held by a trust that is controlled by Trump himself.”

It added that he now has an ongoing stake of some sort in more than 500 businesses. Three-quarters of them are legally registered in Delaware, the largest tax-shelter state in the country. So expect plenty more trouble and suits and investigations to come.

The Era of Golf-plomacy

Trump has always had a knack for promoting his own properties. Now, however, he gets to do it on our dime. Indeed, we taxpayers [fork over](#) a million dollars or more every time the president simply takes a trip to visit his Mar-a-Lago private club in Florida, his National Golf Club in Bedminster, New Jersey, or any of his other properties. During his first 241 days in office, he spent [79 days](#) visiting his properties.



A photo from U.S. President Donald Trump's Twitter shows he and Prime Minister Shinzo Abe giving each other high-five during their golfing in Florida on Saturday. (Source: [KYODO](#))

Meanwhile, a near-army of his well-connected friends and wannabe friends have been sharpening their golf games at Trump locales. At least [50 executives](#) of companies that bagged sweetheart government contracts, as well as 21 lobbyists and trade group officials, are members of Trump golf courses in Florida, New Jersey, and Virginia. As the president's son Eric Trump [told](#) *The New York Times*, "I think our brand is the hottest it has ever been."

They're not just paying for golf, of course; they're paying for access. About [two-thirds](#) of them "happened" to be golfing during one of those 58 days when Trump, too, was present. It doesn't take an investigative reporter to show that whatever happens on a Trump golf course undoubtedly does not stay there. And keep in mind that the upkeep of the Trump entourage that travels from D.C. to those clubs with him is at least partially [funded](#) by us taxpayers, too.

Trump may tilt isolationist when it comes to countries that [don't put money](#) into his clubs and hotel suites, but the nations that do tend to be in big with him. To take one example, Saudi Arabia, the first stop on his first foreign tour, recently disclosed that it had spent [\\$270,000](#) for lodgings and food at the new Trump International Hotel just down Pennsylvania Avenue from the White House. Trump's lawyers have pledged to donate any money foreign governments pay that hotel to the Treasury Department. Yet, [so far](#) at least, Treasury's website has no such line item and the money promised for 2017 has now been [pushed](#) into 2018. Keep something else in mind: the Trump family forecast that it would lose about \$2 million on that hotel in 2017. So far, it has [made](#) nearly a cool \$2 million profit there instead.

While gaining unprecedented international coverage for his family-owned, for-profit business

locales, Trump has created an ethical boundary problem previously unknown in the history of American governments. After all, we, the people, functionally pay taxes to his business empire to host foreign dignitaries, to feed them and provide appropriate security. In this context, the president has made a point of having official state visits at his properties, which ensures that we taxpayers get hit for expenses when, say, Chinese President Xi Jinping and Japanese Prime Minister Shinzo Abe stay at Mar-a-Lago. Though the president [swore](#) he would cover Abe's stay, there's no evidence that it was more than a "fake claim."

Meanwhile, the Trump brand rolls on abroad. Though his election campaign took up the banner of isolationism, the Trump Organization didn't. Not for a second. On January 11th, days before placing his hand on the Bible to "defend the Constitution," Trump proudly [noted](#) that

he "was offered \$2 billion to do a deal in Dubai with a very, very, very amazing man, a great, great developer from the Middle East... And I turned it down. I didn't have to turn it down because, as you know, I have a no-conflict situation because I'm president... But I don't want to take advantage of something."

He also [promised](#) that he wouldn't compromise his office by working privately with foreign entities. His business empire, however, made no such promises. And despite his claims, Dubai has turned out to be ripe for a deal. This August, the Trump Organization [announced a new venture](#) there (via Twitter of course): Trump Estates Park Residences. It is to be "a collection of luxury villas with exclusive access to" the already thriving Trump International Golf Course in Dubai, a Trump-branded (though not Trump-owned) part of an [ongoing partnership](#) with the Dubai-based real-estate firm DAMAC. Its president, Hussain Sajwani, is well known for his close relationship with the Trump family. Units in the swanky abode are [expected to](#) start at about \$800,000 each.

Meanwhile, DAMAC [gave](#) a \$32 million contract to the Middle Eastern subsidiary of the China State Construction Engineering Corporation to build part of Trump World Golf Club, also in Dubai. That's the same China that Trump regularly chides for [not working](#) with us properly. The course is scheduled to open in 2018.

So buckle your seatbelts. U.S. foreign policy and the Trump Organization's business ventures will remain in a unique and complex relationship with each other in the coming years as the president and his children take the people who elected him for a global ride.

His Real Inner Circle

President Trump has made it abundantly clear that sworn loyalty is the route to staying in his favor. Unwavering dedication to the administration, but also to the Trump Organization, and above all to him is the definition of job security in Washington in 2017. Take the latest addition to his communications team, Hope Hicks, who has rocketed into her new career by making devotion to the Trump brand, including [defense](#) of daughter Ivanka, a central facet of her professional life. The 28-year-old Hicks has now been anointed the new White House communications director.

But she doesn't have as much job security as one other group: The Donald's personal legal team. For make no mistake, Trump's financial dealings lie at the heart of his presidency, raising conflicts of a sort not seen at least since Warren Harding was president in the 1920s, if ever. And yet, even though they should be secure through at least 2020 and possibly

beyond, one little slip about Russia in the [wrong D.C. restaurant](#) could see any one of them ushered out the door.

In 2011, the Supreme Court's *Citizens United* decision rendered corporations *people*. It erased crucial campaign finance and lobbying restrictions, and elevated billionaires to the top ranks of the American political game. It was a stunning moment — until now. Donald Trump's presidency is doing something even more remarkable. The billionaire who became our president has already left *Citizens United* in a ditch. He's created not just a political campaign but a White House in which it's no longer possible to imagine barriers between lobbying efforts, government decisions, and personal interest, or for that matter profits and policy.

In November, after the election, Trump [announced](#) that "the law's totally on my side, the president can't have a conflict of interest." Recently, however, the Sunlight Foundation, a non-profit dedicated to government transparency, [revealed](#) 530 active Trumpian conflicts of interest and that's after only eight months in office.

Theoretically, we still live in a republic, but the question is: Who exactly represents whom in Washington? By now, I think we can take a reasonable guess. When the inevitable conflicts arise and Donald Trump must choose between business and country, between himself and the American people, who do you think will get the pink slip? Who will be paying for the intermeshing of the two? Who, like the investors in his bankrupt casinos, will be left holding the bag? At this point, we're all in the Washington casino and it sure as hell isn't going to be Donald Trump who takes the financial hit. After all, the house always wins.

Nomi Prins, a [TomDispatch regular](#), is the author of six books. Her most recent is [All the Presidents' Bankers: The Hidden Alliances That Drive American Power](#) (Nation Books). She is a former Wall Street executive. Special thanks go to researcher Craig Wilson for his superb work on this piece.

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