DEBATING TRUMP PHENOMENON

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INVESTIGATIVE JOURNALISM'S COLLECTIVE NARRATIVE OF TRUMP IN BUSINESS

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КОЛЛЕКТИВНЫЙ НАРРАТИВ ЖУРНАЛИСТСКИХ РАССЛЕДОВАНИЙ: ТРАМП И БИЗНЕС

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Abstract. This article explores the collective journalistic narrative of Donald Trump's business career. While Trump's presentation of self as a successful businessman and celebrity was his primary rationale for his presidential candidacy, these investigative reporters paint a negative portrait of his conduct. Two years

Аннотация. В статье исследуется коллективный журналистский нарратив, посвященный деловой карьере Дональда Трампа. Несмотря на то, что выдвижение Трампа в президенты подкреплялось его стремлением позиционировать себя в качестве успешного бизнесмена и известной личности, into the Trump administration, it is mired by a remarkable series of financial and other scandals, resulting in the forced resignations of top officials and increasing criticism of others. The emerging narrative is that the administration has attracted the type of individual drawn to a culture of corruption, which is in turn seen as emanating from the business culture embraced by Trump and his family.

некоторые журналистские расследования изображают его поведение в негативном свете. За два года работы администрации Трампа она оказалась втянута в череду крупных финансовых и иных скандалов, результатом которых стали принудительные отставки представителей высшего руководства и ужесточение критики в адрес государственного аппарата. В связи с этим возникает нарратив, согласно которому администрация привлекла людей, которых притягивает культура коррупции, что, в свою очередь, связывается с деловой культурой, привычной для Трампа и его семьи.

Keywords: civil sphere, business career, corruption, journalism, narratives, Trump

Ключевые слова: гражданская сфера, деловая карьера, коррупция, журналистика, нарративы, Трамп

Democracy's advocates and authoritarians share an understanding of the vital role that independent journalism plays in a democracy, operating as it does with a professional code of ethics committed to the values of «transparency, independence, responsibility, balance, and accuracy»—values vital to a democratic civil sphere [Alexander, 2016: 2]. Realizing the significance of this code is why the former are intent on protecting the Fourth Estate, while the latter seek to undermine it. Among the functions of the press that Michael Schudson [Schudson, 2008: 12—17] identifies as fundamental are to investigate — to serve as a watchdog — and to offer analyzes in narrative form that help the public make sense of complex issues. These narratives compete with counter-narratives that are often self-serving or explicitly ideological, both seeking to advance particularistic interests at the expense of the public. Or, to frame this in terms of civil sphere theory, journalistic narratives are civil, while the others are not [Alexander, 2006; Kivisto, 2017].

This article explores the collective journalistic narrative of Donald Trump's business career that emerged during his electoral campaign and thereafter, offering a synthetic account based on the overlapping and reinforcing narratives of the individual journalists. While Trump's presentation of self as a successful businessman and celebrity was his primary rationale for his presidential candidacy, these investigative reporters — many of whom have been investigating Trump for decades — paint a negative portrait of his conduct. This includes a group of journalists who in addition to publishing numerous articles have written book-length analyses of Trump's life in business: Gwenda

Blair, Michael D'Antonio, David Cay Johnston, Michael Kranish and Marc Fisher, and Timothy L. O'Brien. The group as a whole is composed of journalists who are or have been employed by such high-profile news organizations as *The New York Times, The Wall Street Journal,* and *The Washington Post.* Several have been recipients of major journalistic awards, including the Pulitzer Prize, the George Polk Award, and the Loeb Award for Distinguished Journalism.

Two years into the Trump administration, it is mired by a remarkable series of financial and other scandals, resulting in the forced resignations of top officials and increasing criticism of others. For example, a recent article in *Forbes* reports that Commerce Secretary Wilbur Ross may have «wrongly siphoned or outright stole» as much as $120 million, which if proven would mean he ranks «among the biggest grifters in American history» [1]. The narrative emerging is that the administration has attracted the type of individual drawn to a culture of corruption, which is in turn seen as emanating from the business culture embraced by Trump and his family. Indeed, a Google search reveals that two words describing the Trump White House that have gained currency since the 2016 election are kleptocracy and grifter. A more specific word describing a particular crime is also appearing increasingly in journalistic accounts: money laundering.

An Ethically and Legally Challenged Patrimony

To make sense of what appears to be an unprecedented level of corruption, the narrative emerging takes on credibility when turning to the past, including the deep past of the Trump family. Donald Trump represents the third generation of Trump men involved in business ventures that made them wealthy while often taking little heed of the law or of conventional business ethics — three generations of serial norm violators.

Trump's grandfather was born in 1896 in a wine-producing region of the Palatinate region of Germany, at the time under the political jurisdiction of Bavaria. When he was sixteen he departed for the United States, thereby avoiding mandatory conscription, and after registering his entry at Castle Island under the name Friedrich Trumpf, he moved in with a sister and her husband in New York City. After working for a time as a barber, he took his savings and headed to the Pacific Northwest in 1891, then a frontier attracting fortune hunters drawn to the prospect of striking it rich in the gold fields. Trump (he had changed his name by this time) had no intention of mining, but rather of servicing the needs of the miners. Beginning in Seattle, and subsequently moving to where the miners headed, he set up operations in Monte Christo, Washington, and when gold fever headed across the border he established himself in the Yukon Territory.

In all of these locales, he set up restaurants and hotels. Gwenda Blair [Blair, 2000], a journalist who has written extensively on Trump and his forbearers has looked into the precise nature of his line of business in each of these settings and concluded that his hotels functioned as brothels, and liquor sales and gambling were the primary sources of income in his restaurants — a conclusion shared by others who have investigated his business dealings. Moreover, Blair reports on at least one instance of acquiring property illegally, staking a mining claim on a piece of property that had already been

[1] Alexander D. New Details about Wilbur Ross' Business Point to Pattern of Grifting. *Forbes*. August 7, 2018. URL: https://www.forbes.com/sites/danalexander/2018/08/06/new-details-about-wilbur-rosss-businesses-point-to-pattern-of-grifting/ (accessed: 20.09.2018).

claimed. This occurred as the ambitious and aggressive Trump responded to rumors that a Rockefeller mining operation was about to open in the area. Trump had no intention of mining the land, which was next to the local train station, but rather planned to build a hotel. In 1900, a reporter for the *Yukon Sun* described his establishment in the following terms, «For single men the Arctic has excellent accommodations as well as the best restaurant in Bennett, but I would not advise respectable women to go there to sleep as they are liable to hear that which would be repugnant to their feelings and uttered, too, by the depraved of their own sex» [quoted in: Kranish, Fisher, 2016: 24].

That Trump made a fortune in these endeavors would become evident a few years later. That he was operating in a liminal legal place became evident even earlier, for his decision to return to New York was prompted by a crackdown by the Canadian Mounties on prostitution as well as illegal gambling and liquor sales. Trump traveled to Germany where he met and married Elizabeth Christ, a young woman from his family's neighborhood. He returned to New York with her, but when she pressed him to return to Germany, he relented. Assuming this was to be a permanent move, he took his life savings, which amounted in current dollars to over $ 500,000. Unfortunately for him, local authorities informed him that because he had not discharged his obligatory military duties, he would be deported if he did not leave the country voluntarily. He pleaded with authorities to permit him and his family to remain, but the deportation order was not revoked and in June, 1905 the Trump family returned to the United States, settling in the German enclave in the South Bronx.

Shortly afterwards, his son Frederick Christ Trump, Donald Trump's father, was born. For the rest of his life Trump would work as a barber and hotel manager. Neither of these careers was a lucrative pursuit, and thus might appear as unusual occupational choices for such an acquisitive person. However, according to David Cay Johnston [Johnston, 2016: 7] barbershops «were often fronts for illegal businesses» and working as a hotel manager afforded opportunities to be financially involved in prostitution.

Whatever is the case, when Trump died in 1918, a victim of the global influenza epidemic, he left his wife with a large estate and soon thereafter with the ample capital she inherited, Elizabeth Trump opened a construction business involving her teenage son Frederick as a junior partner: E. Trump & Son. He early on assumed an active role in the business and quickly concluded that Queens and Brooklyn, with large tracts of undeveloped land that would soon no longer be isolated from the rest of the city due to the expansion of streetcar and subway lines, were likely to undergo housing booms. He was quick to take advantage of this opportunity, building his first home before he was twenty-years old.

During his quick rise as a businessman, one non-business related episode that has subsequently drawn attention given his subsequent well-documented history of racial discrimination in renting property is his arrest in 1927 for his involvement in a Ku Klux Klan march in Queens. Frederick Trump's name appears in the accounts of several newspapers from the period as one of seven men arrested. This was a protest not directed at blacks in an essentially all-white neighborhood, but rather against Catholics and immigrants. It is unclear if he was a member of the KKK or if he was wearing Klan robes (at least one contemporary newspaper account states that all seven of the arrested were «berobed marchers»). What is clear is that his home address is listed as 175—24 Devonshire Road, Jamaica, that he was arrested for «refusing to disperse from a parade when ordered to do so,» and that the charges were later dismissed. While there is uncertainty about what to make of this event, Donald Trump's repeated assertions that his father never lived on Devonshire Road and that the whole event never happened are demonstrably false.

Fred Trump began building homes, first in Queens and then expanding his base into Brooklyn. He and his business partners swooped down to buy homes facing foreclosure during the Depression — benefitting from the economic distress that confronted many working-class homeowners. His horizon expanded during World War II when he discovered the advantages of becoming the beneficiary of federally-funded housing projects, first building housing for the U.S. Navy. His first foray into being a landlord set the stage for the rest of his career, as he squeezed profits by using low quality materials and by being a ruthless manager of his properties [Kranish, Fisher, 2016: 29; Johnston, 2016: 11]. He also had a flair for theatrical marketing, establishing a name for himself with promotional activities the likes of which his son would take to new levels decades later.

Trump jumped into the post-war housing boom, building homes quickly with the cheapest materials available, leading many city residents to dub them «Trump's dumps on stumps.» He also gamed Federal Housing Administration rules and was accused of profiteering with taxpayer money to the tune of $4 million, for which he was called to testify before the Senate Committee on Banking and Currency in 1954. While in the end he was not arrested, his pattern of pushing legality to the limits and his lack of commitment to conventional business ethics even in a business with plenty of ethically-challenged landlords became the hallmark of his success. He also engaged in a business partnership with an associate of the Genovese and Gambino organized crime families, who served both as a source of capital and as insurance that construction-related unions would not give him problems [Johnston, 2016: 12—16]. A similar complaint was lodged against him in 1966, this time by New York state authorities for inflating the costs of Trump Village [Kranish, Fisher 2016: 53].

In addition to being a landlord often despised by his residents and a businessman with ethically-challenged practices, he discriminated against blacks in his housing units. This was evident as early as 1950 to the folksinger Woody Guthrie, who lived in a Trump complex near Coney Island. Guthrie not only criticized him for charging excessive rents, but penned the following lyrics: «I suppose / Old Man Trump knows / Just how much / Racial Hate / He stirred up / In the bloodpot of human hearts / When he drawed / That color line / Here at his / Eighteen hundred family project» [quoted in: Kranish, Fisher, 2016: 54].

Racial discrimination would persist throughout Fred Trump's career, and in the early 1970s, by which time Donald had joined his father's business, father and son became part of what would become one of the largest housing discrimination cases of the era: *United States of America v. Fred C. Trump, Donald Trump, and Trump Management, Inc.* They were accused of «refusing to rent and negotiate rentals with blacks, requiring different rental terms and conditions because of race, and misrepresenting that apartments were not available» [Kranish, Fisher, 2016: 57].

As an indication of the younger Trump's approach to such accusations, he hired Roy Cohn to represent the firm. Cohn has been chief council to Senator Joseph McCarthy during his 1950's witch hunt for suspected Communists in government, academe, and the entertainment industry. Cohn, like his boss, was a master of character assassination, incriminating innuendo, and the fabrication of facts. His legal style can be characterized as no-holds-barred and take-no-prisoners. Both Cohn and Trump agreed to the basic proposition that if you're hit, you need to hit back harder. Thus, Cohn encouraged the Trumps to fight the case rather than settle, and in fact he filed a countersuit on their behalf contending that in a flagrant abuse of power the government had made false and misleading statements that damaged his clients' reputations. The countersuit was summarily tossed out of court and two years later the Trumps settled the case, which, as with cases from the era did not seek monetary damages, but rather sought to redress past discrimination. In his own defense, Donald Trump would subsequently claim that he was unfamiliar with the anti-discrimination provisions of the Fair Housing Act of 1968, which is either a rather remarkable admission of ignorance on the part of a large landlord with a degree in real estate from an ivy league university or an example of a type of falsehood that is difficult to disprove.

In 1976, complaints concerning the Trump Company's failure to properly maintain a housing project in Prince George's County, Maryland came to a head. Donald Trump has been overseeing the property when his father paid the site a visit and was arrested by local authorities for a host of code violations, including a failure to provide fire-prevention equipment. He was jailed until he posted bond; years later his son would assert that he hadn't known about his father's arrest. Given that father and son were business partners and this was a property the son was overseeing, it is hard to imagine how he would not have known about the arrest. Meanwhile, throughout the remainder of the decade the federal government accused the Trumps of failing to live up to the terms of their anti-discrimination lawsuit settlement.

Fred Trump was once the recipient of a Horatio Alger Award, ironic given that his inheritance prevented him from moving up the social ladder from rags to riches. The myth of the self-made man would be taken to a new level when Donald Trump set out to conquer Manhattan. Whereas his father had been content to remain a powerful landlord in the outer boroughs, catering to lower and middle class clients, his son was drawn to the prospect of getting involved in the high-end (far from the working class and the racial conflict that resulted from attempts to promote equal housing opportunities for racial minorities), and in the process establishing himself as a celebrity. The business career and the celebrity career would be from the outset intertwined. But, as *Newsweek* business writer Kurt Eichenwald[2] would put it, Donald Trump's «wealth is Daddy-made.»

The Confidence Man

The son's first solo efforts ended in failure, including his attempt to revitalize an apartment complex far from Manhattan — in fact in Cincinnati — owned by his father. The result when the development was sold was a net loss for his father's company. Dreaming of a career in the entertainment business, Trump invested in a Broadway play that bombed. Operating on a grander scale, his efforts to become the develop-

[2] Eichenwald K. Donald Trump's Many Business Failures, Explained. *Newsweek*. 8.2.2016. URL: https://www.newsweek.com/2016/08/12/donald-trumps-business-failures-election-2016-486091.html (accessed: 20.09.2018).

er of a convention center in Manhattan came to naught. Using his father's political connections, which the elder Trump had honed over the years, and his own audacity (at one point, he sought to have the center named after his father) and deception, he obtained hearings with power brokers that he otherwise would not have had access to. But lacking financing and a construction track record, the plan ended in failure.

His first major redevelopment project in Manhattan involved the renovation of the Commodore Hotel near Grand Central Station, made possible by aggressively pursuing tax exemptions and by his father's willingness to back his son's construction loans, which Chase Manhattan Bank approved as a favor to Fred Trump [3]. His relationship with business associates in the project, including the Pritzker family, owners of the Hyatt hotel chain, soured with what would become a signature of doing business with Trump: lawsuits and countersuits. And the city auditor found that Trump's accountants had short-changed the city out of millions of tax dollars [Kranish, Fisher, 2016: 73—85]. The 1970s was a period of financial crisis for the city of New York and distressed properties abounded — a situation not unlike the opportunities Fred Trump jumped on during the Depression. Trump, in characteristic bluster, claimed to have been responsible for the rejuvenation of the Grand Central neighborhood, even though by the time his project was under way numerous other projects were also in various stages of completion.

Trump's signature building came next: Trump Tower, where the Trump Organization occupies the twenty-sixth floor. In the process of erecting the 58-story structure, he revealed his lack of appreciation of historic preservation and generated a public relations debacle when he demolished the Bonwit Teller art deco building and made no effort to preserve the bronze grillwork over the entrance. Trump contracted to have concrete for the building purchased from a company owned by two mafia heavyweights, «Fat Tony» Salerno and Paul Castellano. Journalists who have analyzed the construction of the project point to the fact that Trump employed several hundred undocumented Polish workers — the so-called «Polish brigade.» According to Michael Kranish and Marc Fisher [Kranish, Fisher, 2016: 88],

> *The men toiled through spring and summer of 1980 with sledgehammers and blowtorches, but without hard hats, working twelve- to eighteen-hour days, seven days a week, often sleeping on Bonwit Teller's floors. They were paid less than $ 5 an hour, sometimes in vodka. Many went unpaid and were threatened with deportation if they complained.*

Lawsuits filed on behalf of the workers wound their way through the courts, again with the persistent prospect of lawsuits against the workers threatened by Trump and his lawyer, Roy Cohn. A settlement that found against Trump was finalized in 1999, but as is the case with most of Trump's dealings, rulings are concealed from the public, in this instance because the case was sealed by court order.

Nevertheless, this was the zenith of Trump's career as a builder. He had attracted architect Der Scutt to design it. Architecture critic Ada Louise Huxtable was impressed by the drawings, but once the building had been constructed she arrived at a very different assessment, declaring it to be «monumentally undistinguished» with an interior

[3] Eichenwald K. Donald Trump's Many Business Failures, Explained. *Newsweek*. 8.2.2016. URL: https://www.newsweek.com/2016/08/12/donald-trumps-business-failures-election-2016-486091.html (accessed: 20.09.2018).

that reminded her of «posh ladies' powder-room décor» [quoted in: D'Antonio 2016: 147]. In its early years, it did manage to attract such high-profile celebrities as Stephen Spielberg (purchased by Universal Pictures and seldom used by the director), Michael Jackson (who rented a unit for less than a year), and Johnny Carson (who left in 1987 in a dispute with the Trump Organization). Today the Trump name has proven to be less of a draw for the sort of people Trump hoped to attract[4]. Instead has become home to associates such as Michael Cohen, Paul Manafort, and Felix Sattar, in addition to a number of known criminals — both American and foreign — and ownerships hidden behind anonymous LLCs, a common ploy used by money launderers. Christopher Steele, the author of the Trump-Russia dossier, told friends that, «It seems as if all criminal roads led to Trump Tower»[5].

Trump's desire to populate the building with the A-list could also be seen in his desire to have famous and beautiful women by his side in public venues. Unfortunately for him, the women he would report to gossip columnists as interested in dating him — doing so by calls made by John Barron or John Miller (two fictional high-ranking officials in the Trump organization claiming to make the calls, when in fact Trump was the caller)—steered clear of his charms. Thus, the tabloids were told that stars such as Madonna, Kim Basinger, and others were interested in Donald Trump, often with the implication that they were actually dating. In fact, none of this was true.

His reports of a presumed affair with the Italian singer and model Carla Bruni continued over several years, including during extended on-air conversations on Howard Stern's satellite radio program. Bruni, who ended up marrying Nicholas Sarkozy, then the president of France, told a British newspaper after learning of these reports that in her opinion, «Trump is obviously a lunatic» [quoted in: Johnston, 2016: 145]. He also spoke about Princess Diana after her separation from Prince Charles, describing her as having the body of a model. According to British television presenter Selina Scott, he pursued Diana by sending «massive bouquets» that led her to feel that «Trump was stalking her,» which gave her «the creeps»[6]. Suffice it to say that his three wives — two Eastern European models and an actress from Dalton, Georgia — were not in the league of those Trump publicly aspired to be involved with romantically. One can assume that at some level this pains the notoriously thin-skinned Trump and leads to feelings of resentment.

During the remainder of the twentieth century, Trump not only entered into additional real estate projects, but cast a far wider net in areas where he had no prior experience, with the result being a series of economic disasters. This included first and foremost getting into the casino industry in Atlantic City. Lacking both a background in the industry and adequate financing, his first foray required him to partner with Harrah's Entertainment. Even though he would be directly competing with a casino he partially

4 Bernstein J. Trump Tower, A Home for Celebrities and Charlatans. *The New York Times*. August 12, 2017. URL: https://www.nytimes.com/2017/08/12/style/trump-tower-famous-residents.html (accessed: 20.09.2018).

5 Kranz M. A New Report Contains Bombshell Details about Christopher Steele, the Author of the Trump-Russia Dossier. *Business Insider*. March 5, 2018. URL: https://www.businessinsider.com/christopher-steele-new-yorker-trump-russia-dossier-revelations-2018-3 (accessed: 20.09.2018).

6 Newton J. Donald Trump Claimed Princess Diana 'Was Crazy' but He 'Could (and Would) Have Slept with Her' Anyway. *Daily Mail*. February 25, 2016. URL: http://www.dailymail.co.uk/news/article-3464039/Donald-Trump-claimed-Princess-Diana-crazy-said-slept-without-hesitation-supermodel-beauty.html (accessed: 20.09.2018).

owned, he purchased another one and named it Trump Castle — a move that prompted Harrah's to sell its share of the joint venture to Trump. Without the benefit of an established business partner, he financed this venture with $ 300 million in junk bonds.

This didn't satisfy his ambition. Instead, he went on to purchase the Taj Mahal, which was billed as the largest casino in the world at the time. Misrepresenting his ability to finance the acquisition through normal channels, he was again forced to finance through junk bonds, this time for $ 675 million, paying a 14 % interest rate. He was soon in debt to the tune of $ 1.2 billion dollars and needed to rake in an unrealistic $ 1.3 million a day at the renamed Trump Taj Mahal. Financially stressed, he stiffed building contractors at the Taj out of approximately $ 60 million [7] [Kranish, Fisher, 2016: 134—137]. His father sought to intervene, this time by illegally purchasing $ 3.5 million in chips from Trump Castle just as his son was about to default on a loan payment. Trump senior had no intention of cashing in the chips, but instead was attempting to throw his son a lifeline — in clear violation of the New Jersey Casino Control Commission's rules. In 1991 Trump Taj Mahal filed for chapter 11 bankruptcy protection and half of the ownership was given to bondholders. The following year the two other casinos followed suit, the second of six bankruptcies over his career.

While Trump's fortunes sank in Atlantic City, he became involved in additional misadventures. Seeking the cachet of owning a National Football League (NFL) franchise, but without the financial means to acquire one, he instead bought the New Jersey Generals of the United States Football League (USFL), a lesser league that played its games in the spring in order not to compete directly with the NFL. Trump lobbied the USFL to switch the season to the fall to compete directly with the NFL. This was part of a gambit that Trump and Roy Cohn undertook in an attempt to merge the two leagues, or at least to take his team into the NFL. They did so by filing an anti-trust and monopoly lawsuit against the NFL. The jury ruled that in fact the NFL had a monopoly, but argued that the financial plight of the USFL was of its own devising. The USFL was awarded damages in the amount of $ 3, a clear indication that the court had no desire to assist Trump in his plan. The conclusion of this episode was that the USFL, including Trump's team, quickly folded.

In 1988, Trump purchased the Eastern Shuttle, a no-frills airline connecting Boston, New York, and Washington, DC, from its financially troubled parent company, Eastern Airlines. He borrowed $ 380 million for the purchase, which some analysts contend was too much. He also purchased more planes from Eastern than was necessary for the shuttle service. True to form, he renamed the airline Trump Shuttle. When the first logo design for the plane exteriors was run by him, his complaint was that his name wasn't large enough. Not knowing the industry or the customers regularly using the shuttle, he decided that what was needed was a touch of luxury. Thus, he spent $ 1 million per plane (and the planes were only valued at $ 4 million) on interior designs reflecting his view of elegance: faux marble walls and gold colored fixtures in the restrooms, and bird's eye maple paneling and leather seats with chrome buckles in the cabins [Kranish, Fisher, 2016: 191]. The airline immediately began to bleed money and ceased to operate in 1992, never turning a profit.

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[7] Eichenwald K. Donald Trump's Many Business Failures, Explained. *Newsweek*. 8.2.2016. URL: https://www.newsweek.com/2016/08/12/donald-trumps-business-failures-election-2016-486091.html (accessed: 20.09.2018).

Trump's entire business operation was hemorrhaging. One of his prize possessions, the storied Plaza Hotel, also went bankrupt when he failed to make interest payments. However, banks had been as irresponsible as Trump and if they allowed him to crash and burn, their bottom lines would have been seriously impacted. Thus, they continued in a symbiotic relationship motivated by their own self-interest, but in the process put Trump on an allowance and forced him to shed some of his major trophies, including his $ 29 million yacht. In the end, regulators determined that his businesses were $ 3.4 billion in debt, and that because he had personally guaranteed at least $ 830 million of that debt, not only was the business organization in imminent danger of collapsing, but he may have ended up financially ruined.

Whereas the Trump family businesses over three generations, as privately held concerns, could operate in the shadows without what in their estimation was undue transparency, in this case Trump determined that going public was to his advantage. He discovered the benefits of using other people's money and allowing them to take most of the risks — the actual level of which was generally unknown to investors. The American public also learned during the Presidential debates that Trump avoided paying personal income taxes for sixteen or more years, a fact that he claimed in one debate indicated that he was smart. Even though he had proven to be a disaster as a real estate developer, casino operator, and airline owner, Trump had proven remarkably adept at projecting himself as a brash and hard charging entrepreneur.

Whereas business insiders and other critical observers, certainly in the New York area that was his base of operation, saw him as a shady and untrustworthy businessman, cynical, like-minded businesspersons and business innocents were drawn to him. His name recognition led such people to assume that Trump was one of the major real estate interests in Manhattan, an assumption that was far from the truth. However, whereas the truly major power brokers sought to operate discretely, Trump's visibility in the tabloids and on television and the radio made his a familiar name. Indeed, when he became the host of *The Apprentice* (later renamed *Celebrity Apprentice*), a reality television program, he entered a world that he had once described as inhabited by bottom-feeders. He swam near the top of that bottom for sixteen years

It was his cultivation of his name as synonymous with ostentatious wealth that became the basis for promoting his brand. No longer a real estate developer, Trump would instead seek to brand not only buildings, but a wide range of things large and small. Indeed, his willingness to put his name on such an array of items led billionaire critic Mark Cuban to suggest in recent years that Trump's frenetic branding pursuits would appear to indicate that the Trump organization suffers from serious cash flow problems. While this may well be the case, it overlooks the fact that Trump's narcissism is a driver in seeking to see his name emblazoned on as many objects as possible.

A partial list of branding initiatives includes: Trump Ice (bottled water); Trump Vodka; Trump Steaks; a travel site for glitzy travel, GoTrump.com; Trumpnet, a «corporate telephone communication services» company; *Trump* (a relaunched magazine); Trump Winery; and Trump Mortgage. He started his mortgage company in 2006, just before the housing crash, proclaiming at the time that «it's a great time to start a mortgage company»[8]. All of these

[8] Stuart T. Donald Trump's Thirteen Biggest Business Failures. *Rolling Stone*. March 14, 2016. URL: http://www.rollingstone.com/politics/news/donald-trumps-13-biggest-business-failures-20160314 (accessed: 20.09.2018).

ventures save one, Trump Winery, ended in failure. After purchasing the winery in 2011, he gave it to his son Eric, who runs it independent of the Trump Organization. It is not clear how well that business is doing. The rest of this list of business ventures was ill-advised and poorly-conceived. They were apparently not, however, fraudulent.

This is not the case with Trump University. Not unlike those late-night infomercials on making money by buying real estate with no money down, Trump University (later renamed Trump Entrepreneur Initiative after the New York Attorney General filed suit because the term university was being used illegally) promoted a get rich scheme. It differed from the infomercials in two respects. First, whereas they charged unwitting customers hundreds of dollars, Trump University used high-pressure sales techniques to bilk people out of thousands and in numerous cases tens of thousands of dollars. Second, the reason they could do so was because of the Trump name and of his explicit promise to pick the instructors who would teach the courses, which were billed as derived from his own business techniques. As became clear, Trump did little more than market the company. There was nothing original about the curriculum (indeed, large portions of material were simply pilfered from similar existing courses) and he did not choose the instructors.

Complaints proliferated across the country, leading to two class action lawsuits and a suit brought by the then New York Attorney General Eric Schneiderman. Other attorneys general considered joining the lawsuit, and when that included Pam Bondi from Florida, Trump supplied her with an improper $ 25,000 campaign contribution, for which he was penalized by the Internal Revenue Service. Trump insisted that he had done nothing wrong both with the contribution and in the operation of Trump University. In characteristic fashion, he vowed to fight the lawsuits and threatened retaliatory countersuits. He predicted that the cases would be summarily tossed out of the courts. Instead, shortly after his electoral victory, his attorneys went to court and settled the case by paying a $ 25 million-dollar settlement. Schneiderman told reporters that the «settlement agreement is a stunning reversal by Donald Trump and a major victory for the over 6,000 victims of his fraudulent university» [9].

Not willing to do due diligence in vetting potential business partners, Trump also licensed his name and appeared in an infomercial for Trump Institute, stating in that promotional that, «I put all of my concepts that have worked so well for me, new and old, into our seminar.» In fact, he didn't and was otherwise uninvolved in this business seminar in which people paid as much as $ 2,000 to discover «wealth-creating secrets and practices.» Much of the content of the instructional material had been plagiarized. The actual owners of Trump Institute, Irene and Mike Milin, had a long history of running get-rich courses and an equally long history of run-ins with the law, their shady ventures at one point resulting in 33 state attorneys general signing a letter to the Federal Trade Commission accusing the duo of deceptive trade practices. A woman who attended one of the seminars of Trump Institute commented that «It was like I was in sleaze America. It was all smoke and mirrors» [10].

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[9] Helderman R. Trump Agrees to $ 25 Million Settlement in Trump University Fraud Cases. *The Washington Post*. November 18, 2016. URL: https://www.washingtonpost.com/politics/source-trump-nearing-settlement-in-trump-university-fraud-cases/2016/11/18/8dc047c0-ada0-11e6-a31b-4b6397e625d0_story.html?utm_term=.c74708b58e14 (accessed: 20.09.2018).

[10] Martin J. Trump Institute Offered Get-Rich Schemes with Plagiarized Lessons. *The New York Times*. June 29, 2016. URL: http://www.nytimes.com/2016/06/30/us/politics/donald-trump-institute-plagiarism.html?_r=0 (accessed: 20.09.2018).

In recent years, when Trump talks about Trump properties, he is usually talking about licensing deals in which his name is used — as with the ill-fated Trump Ocean Resort Baja Mexico and Trump Tower Tampa — and he often has a management contract, but is in reality neither the developer nor the owner of the property. In selling properties to buyers at these and other developments, it was often stated or implied that Trump was the developer and owner, but when the projects failed and buyers were informed that they had lost their investments, Trump quickly distanced himself noting what he did not want to advertise up front, which is that he had no liability in the matter since his involvement was simply that of licensing the brand.

Shortly before the presidential election, Trump Tower in Toronto was placed in receivership. This combination hotel and condominium development never managed to get off the ground from the time it opened in 2012. The actual owner was a Russian-born Canadian investor who hired another Russian with no background in real estate development or running a hotel as the chief operating officer. The development was noted for luring small-time investors, many immigrants and many with no background in investment, by contending that they could rent out their properties, quoting expected returns that were totally unrealistic. A large part of the allure for these neophyte investors was the Trump name. The vacancy rate over a four-year period ranged from 55 % to over 80 %, and investors lost significant amounts of money, leading to charges of fraudulent sales techniques. Once again, Trump walked away from the project asserting that he had no liability in the matter. This case is illustrative of a topic that has generated increased scrutiny over time, namely Trump's financial attachments to Russian banks and oligarchs.

Despite this portrait of a poor, unprincipled, and fraudulent businessman, Trump does have wealth, and that wealth is an essential part of his self-identity. The question of just how much he's worth has arisen throughout his career, and has proven to be difficult to answer given the intentionally opaque nature of his operations. Compounding the difficulties is the fact that he has repeatedly misrepresented his net worth, usually by inflating it dramatically, but by devaluing it when, for example, he was engaged in divorce proceedings or seeking property tax breaks. He has claimed for two decades that he's a billionaire, sometimes contending the figure is in the $ 10 billion range.

Questioning Trump's net worth is perhaps the easiest way to anger him, as former *New York Times* business reporter Timothy L. O'Brien [O'Brien, 2005] discovered when in a detailed book, he contended that contrary to Trump's claims to be worth between $ 5 billion and $ 6 billion in 2005, he was actually worth something in the range of $ 150 to $ 250 million. Trump sued (one of his campaign threats was to loosen the libel laws). He was required to provide financial records including tax returns, and based on the documents the court found that O'Brien had not acted with reckless disregard for the truth. Under cross examination, Trump reported that one of the ways he assesses his net worth is based on his feelings at the moment. The case was ultimately thrown out, with Trump refusing to make public the financial records he had been forced to produce. He contended that he had won the case by forcing O'Brien to spend exorbitantly on legal bills, which was untrue. In fact, his publisher's spokesperson reported that the company paid the legal bills and knows that it spent far less than Trump paid on the case [Farhi, 2016].

O'Brien is not the only person to question whether Trump is actually a billionaire. Reinforcing suspicions is the fact that contrary to Trump's efforts to portray himself as a significant philanthropist, the evidence points to a person who has given precious little to charitable causes and institutions. Moreover, for a person who relishes seeing his name on buildings, there is no edifice bearing his name on a hospital pavilion, major museum, ivy-league campus, or for that matter anywhere that would mark a gift rather than a branding business venture. Trump has made numerous announcements of major personal donations and in one instance crashed a charity called the Association to Benefit Children, placing himself on the podium. Investigators for *The Washington Post* learned that he did not contribute a cent to the charity.

They learned further that his giving overall was remarkably low, and furthermore of the money he did contribute, around 70 % went to the Trump Foundation, which has come under scrutiny for spending that violated its tax-exempt status and for raising funds in states where it had not been properly registered. In fact, an order from the State of New York forced the Foundation to cease fundraising in 2016 and shut it down in 2018.

In one egregious instance, after refusing to participate in a primary debate, Trump hosted a fundraiser for veterans, claiming that he was personally contributing $ 1 million to the cause. When reporters could find no evidence to support the claim, his spokesperson Cory Lewandowski insisted that the contribution had been made, but he would not reveal details. When it became clear that Lewandowski had lied and that his failure to contribute might hurt Trump's campaign, Trump sent a check to the Marine Corps-Law Enforcement Foundation, while bristling at the reporter who wrote the story, calling him a «nasty guy» [11].

Trump's personality leads him to need to be perceived as a billionaire, but there is simply no accessible evidence for third parties to be able to confirm that he is as wealthy as he claims. On the contrary, there are reasonable grounds for being extremely skeptical about his boasting. Likewise, getting a handle on the scope and the net worth of the company he owns is difficult. Trump uses a complex of nearly 500 Limited Liability Companies (LLCs) designed to protect him from repeating the situation that nearly led to ruin in the 1990s when he used his own name to guarantee debt. Moreover, reporting on these LLCs is sketchy at best. A report in *The Wall Street Journal,* found for example that one such LLC, DT Connect Europe Ltd. was reported in his financial disclosure form required for his run for the presidency to have generated between $ 15,001 and $ 50,000 in revenue between 2015 and 2016. However, in reports filed in Scotland, where the LLC is based, that report states losses for the same time period of $ 673,000 [12]. Evidence from an investigative report conducted by *The New York Times* found that his debt level is at least $ 650 million, far more than he has publicly reported [13].

[11] Fahrenthold D. A. Trump Boasts about His Philanthropy, But His Giving Falls Short of His Words. *The Washington Post*. October 29, 2016. URL: https://www.washingtonpost.com/politics/trump-boasts-of-his-philanthropy-but-his-giving-falls-short-of-his-words/2016/10/29/b3c03106-9ac7-11e6-a0ed-ab0774c1eaa5_story.html?utm_term=.f218c371fc18 (accessed: 20.09.2018).

[12] Eaglesham J., Maremont M., Schwartz L. How Donald Trump's Web of LLCs Obscures His Business Interests. *The Wall Street Journal*. December 8, 2016. URL: http://www.wsj.com/articles/how-donald-trumps-web-of-llcs-obscures-his-business-interests-1481193002 (accessed: 20.09.2018).

[13] Craig S. Trump's Empire: A Maze of Debts and Opaque Ties. *The New York Times*. August 20, 2016. URL: http://www.nytimes.com/2016/08/21/us/politics/donald-trump-debt.html (accessed: 20.09.2018).

Perhaps the most succinct and sober overview, not of Trump individually but of the Trump Organization to date comes from *The Economist*[14] in an article seeking to «Deconstruct Donald.» Dismissing the braggadocio that has been the hallmark of Trump's presentation of his business self for his entire career, the reporters write that, «Far from being a global branding goliath, it is a small, middle-aged and largely domestic property business.» Moreover, «If Trump family members are to make a second fortune in the next four years, they will have to reinvent a mediocre firm.» The article goes on to contend that the company, with 80 % of its value tied up in commercial and residential properties (indeed, half of the company's worth is tied up in a mere five buildings) may be worth $ 4 billion, with annual revenues of $ 490 million. This would make it the 833rd largest firm in the country by market value and 1,925th by sales. Understanding the character of the man at the helm, they observe, «It seems likely that President Trump will inevitably blur the lines between business and politics in potentially disturbing ways — expect grubby deals and murky meetings.»

And indeed, a robust body of journalistic evidence reveals that this line has been blurred for a long time. Trump's calls to repeal the Foreign Corrupt Practices Act — with its anti-bribery and due diligence requirements — appear to be self-serving. As a particularly revealing example, Adam Davidson's[15] in-depth account of his hotel project in Baku, Azerbaijan reveals «a corrupt operation engineered by oligarchs tied to Iran's Revolutionary Guard, «raising serious concerns about violations of the Act related to due diligence. Money laundering tied to Trump real estate and golf courses in the United States and abroad has become an increasingly frequent topic of journalistic inquiry[16]. And with the unfolding investigation of Michael Cohen, his long-time «fixer,» Davidson thinks the possibility of a narrative shift in public opinion has increased significantly in recent months[17]. With the Mueller investigation well underway and additional court battles ahead for Trump, combined with the impact of investigative reporting on public opinion, the opaque world of Trump businesses may become more transparent — something he clearly fears.

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[14] *The Economist.* Deconstructing Donald. November 26, 2016. P. 59—60.

[15] Davidson A. Donald Trump's Worst Deal. *The New Yorker*. March 13, 2017. URL: https://www.newyorker.com/magazine/2017/03/13/donald-trumps-worst-deal (accessed: 20.09.2018).

[16] Davidson A. Where Did Donald Trump Get Two Hundred Million Dollars to Buy His Money-Losing Scottish Golf Club? *The New Yorker.* July 13, 2018. URL: https://www.newyorker.com/news-desk/swamp-chronicles/where-did-donald-trump-get-200-million-dollars-to-buy-his-money-losing-scottish-golf-club (accessed: 20.09.2018).

[17] Chotiner I. Brand Politics: Did Trump Run in 2016 to Boost His Business Profile? Adam Davidson Says Yes. *Slate*. April 24, 2018. URL: https://slate.com/news-and-politics/2018/04/adam-davidson-on-russia-and-why-trump-is-a-bad-businessman.html (accessed: 20.09.2018).

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