



Team Trump's Troubling Tentacles: The Goldman Sachs Vampire Squid

"I know the guys at Goldman Sachs," Candidate Donald Trump declared on February 19, 2016, as he headed into the South Carolina primary. "They have total, total control over him [Senator Ted Cruz]," he charged, "just like they have total control over Hillary Clinton."

Some of Trump's most memorable (and effective) attacks on his leading Republican opponent in the 2016 GOP primaries and his Democratic opponent in the general election concerned their ties to the Wall Street banking behemoth Goldman Sachs, which *Rolling Stone* writer Matt Taibbi famously described as a "great vampire squid," and which has become synonymous with too-big-to-fail/too-big-to-jail financial institutions and political pay-for-play corruption. The global financial firm was heavily involved in marketing the subprime collateralized debt obligations (CDOs) and credit default swaps that brought on the 2008 mortgage crisis. Rather than being prosecuted for its predatory lending practices, Goldman was rewarded by the politicians with huge bailouts — courtesy of the American taxpayers.

Thanks to legislation sponsored by former Representative Ron Paul (R-Texas), the federal Government Accountability Office (GAO) conducted a limited audit of the Federal Reserve, which revealed that the Fed had pumped out a mind-boggling \$16.1 trillion (that's trillion) dollars in loans/bailouts to the banks to cover their toxic mortgages and other noxious debts.

[Goldman Sachs received more than \\$814 billion](#) through the Fed's "Broad-Based Emergency Programs." It was not the biggest beneficiary (that honor went to Citigroup, which received more than \$2.5 trillion!), but nevertheless was notorious for being the [most politically connected of the Wall Street vulture firms](#). Donald Trump realized, better than any other candidate in 2016, the smoldering resentment harbored by millions of American voters toward these banksters and crony capitalists who were growing incredibly wealthy by skimming off enormous wealth from our economic system, while saddling the rest of us with an ever-increasing mountain of debt.

Trump repeatedly hit Senator Cruz with his two unreported campaign loans from Goldman Sachs, as well as the fact that Cruz omitted an important detail from his wife Heidi's résumé: her position as a





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managing director for Goldman Sachs.

<https://www.youtube.com/watch?v=AqmoT6asXHc>

And Trump, along with Hillary Clinton's Democratic rival, Senator Bernie Sanders, pummeled Hillary with the fact that she and her husband, former President Bill Clinton, have been closely tied to Goldman for decades, and have profited handsomely from the relationship. Secretary Clinton, along with her senate and presidential campaigns, the Clinton Foundation, and the Clinton Global Initiative, received millions of dollars from Goldman Sachs, from Goldman CEO Lloyd Blankfein (who endorsed her campaign), and from other Goldman executives.

Clinton's stubborn refusal to release the transcripts of three speeches she gave to elite Goldman Sachs gatherings — for which she was paid an astronomical \$675,000 (a tidy \$225,000 per hour) — was a major issue with both Democrat and Republican voters, and became a topic of one of the Trump/Clinton televised debates (see below).

So how did Donald Trump, the only billionaire candidate in the crowded field for the 2016 presidential run, manage to cast himself as the anti-Wall Street, populist candidate? How is it that he, the super-wealthy real estate mogul of the gleaming Trump Towers, the owner of a globe-straddling empire of luxury properties and a gold-gilt home estate (Mar-a-Lago), became a hero to a huge and devoted following of blue-collar working class and white-collar middle class voters? He was asked that a number of times by media interviewers. Invariably he responded that he has always identified with the working people and is not liked by the big guys on Wall Street. Trump repeatedly has stressed that his personal wealth has enabled him to be independent of those Big Money influences that own Clinton and other politicians. He was able, he pointed out, to self-fund his campaign and maintain an independence that other candidates did not have.

Was Trump's Wall Street Slam a Sham?

However, Candidate Trump and President Trump appear to be two very different individuals, when it comes to the issue of Wall Street and Goldman Sachs (GS). Since at least December, there have been troubling signs of a great reversal in Trumpland on this vital issue. Here are the key names in President Trump's growing contingent of Goldman Sachs veterans:

Steve Bannon — This first GS connection did not seem that significant, and might not have meant that much — if he were the lone outlier. Yes, Bannon had been a GS banker for a few years, but that was in the 1980s, three decades ago. Not exactly a scarlet letter in the big scheme of things. But it appears he did keep some Goldman channels open, because in 2006 GS joined Bannon in investing in a company known as Internet Gaming Entertainment. The provocative former CEO of Breitbart News served as Trump's campaign manager, and, following Trump's election victory, was named assistant to the president and White House chief strategist. According to the MSM Trump demonization choir, besides being Trump's Rasputin, Bannon is a "racist," "white supremacist," "white nationalist," "misogynist," and "xenophobe." His leftist media accusers never provide any evidence to substantiate these smears, of course. No surprise there; that's simply standard operating procedure on the Left. What should be of more concern are the verifiable connections to Goldman Sachs and other Wall Street insider firms noted below.

Steven Mnuchin — The second GS-linked name to pop up in Camp Trump was Mnuchin, whom Trump named as his national campaign finance chairman in April 2016, and later as U.S. treasury secretary.



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(Mnuchin was confirmed to that post by the U.S. Senate on February 13, 2017.) Like Bannon, it had been a number of years since he had worked at Goldman (he left in 2002, after 17 years there, but his ties to the gold-plated firm were more extensive. His father had been a partner in the 1950s-1960s, and Steven graduated to partner level in 1994. After leaving GS, he joined up with [left-wing billionaire George Soros](#) to found Soros Fund Management. He subsequently founded Dune Capital and RatPac-Dune Entertainment, which has financed a number of Hollywood films, including such profitable franchises as the X-Men and Lego movies. Although he was an early supporter of Donald Trump, Mnuchin, like most other Goldman alums, has contributed far more, and far more often, to liberal Democrat politicians. He has donated in the past to Hillary Clinton, Barack Obama, Al Gore, Kamala Harris, and John Kerry, among others. His appointment and confirmation as treasury secretary is especially alarming because it represents a dangerous extension of the near lock-hold on that post Goldman alums have claimed for more than two decades. Robert E. Rubin (a 26-year GS veteran and co-chairman and chairman of the firm) headed the Treasury for Bill Clinton 1995-1999. He was followed by Lawrence Summers (1999-2001), who had earned huge fees as a Goldman speaker. Goldman Sachs chairman and CEO Henry M. Paulson headed Treasury for George W. Bush 2006-2009. Now Mnuchin heads a growing list of GS operatives in the Trump administration.

Anthony Scaramucci — Known affectionately among his Wall Street cronies as “the Mooch,” Scaramucci launched his high-finance career at Goldman Sachs (1989-1996) before launching his own hedge funds — Oscar Capital, and then SkyBridge Capital, which is currently reported to have \$12 billion in assets under management. The gregarious and well-connected investment manager serves as impresario at the annual SkyBridge Alternatives (SALT) conference in Las Vegas, a sort of mini-Davos that attracts the movers and shakers (as well as wannabes) of the political and financial worlds. In January of this year, Scaramucci announced the sale of his remaining 45 percent stake in SkyBridge (for a reported \$180 million) along with his plans to join the Trump administration as a top assistant to the president. He had originally endorsed Governor Scott Walker and then Governor Jeb Bush in the 2016 primaries, before being named to the Trump campaign finance committee in May of last year. In November he was named to the president-elect’s transition team, and in January 2017 he was named director of the White House Office of Public Liaison and Intergovernmental Affairs. By the end of January, however, Scaramucci had not been confirmed and the spot slotted for him had been filled by George Sifakis, the founder and former CEO of Ideagen. Concerns over the shadowy buyers of SkyBridge (HNA Capital and RON Transatlantic) may have had something to do with the decision to drop Scaramucci. HNA, the giant Chinese conglomerate that has been on a multi-billion-dollar global buying spree that includes buying up important U.S. companies (recent acquisitions: Hilton Hotels and tech company Ingram Micro), is, like all Chinese companies, closely tied to the country’s ruling Communist Party, and keeps its financial books, investors, and operations shrouded in secrecy. According to Bloomberg, HNA and its associates announced or completed more than \$34 billion in acquisitions in 2016, and the company’s valuation is over \$100 billion, making it “one of the world’s 100 biggest non-financial companies — larger than Boeing Co., Walt Disney Co. or Coca-Cola Co.”

HNA’s chairman, billionaire Chen Feng, got his start in 1995 with an investment of \$25 million from George Soros, with whom he has maintained relations. HNA’s partner in the SkyBridge buyout is also somewhat sketchy. RON Transatlantic, which is registered in the British Virgin Islands, appears to be owned by Danilo Diazgranados Manglano, a Venezuelan banker who, according to a State Department cable released by WikiLeaks, worked closely with the regime of Marxist strongman Hugo Chávez. A *New York Post* story on February 3 cited unnamed “Wall Street insiders” who said Scaramucci may still



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have a post in the Trump administration, thanks to the intervention of Stephen Schwarzman, chairman of the Blackstone Group, which, like Goldman Sachs, is a top partner with Chinese companies, including HNA. As we reported on March 9 in [“More Dangerous China Trade? Globalist Push vs. Trump Promise.”](#) Schwarzman has been named chair of the president’s Strategic and Policy Forum.

Gary Cohn — While the past and tangential ties of Bannon, Mnuchin, and Scaramucci to Goldman Sachs raised eyebrows, the [announcement in December](#) that Gary D. Cohn would become the director of the National Economic Council in the Trump administration set off alarm bells. The only other possible appointment with bigger ties to the vampire squid would be Goldman CEO Lloyd Blankfein himself. Cohn joined GS in 1990, and since 2006 has served as president and co-chief operating officer and director of the investment colossus. On leaving the firm to join the Trump administration, Cohn received a severance package reported to be in the range of \$285 million. Obviously, Blankfein and the other principals at GS have generously blessed Cohn’s departure because he will be even more beneficial to their interests in his new government post. During his reign at GS, Cohn played key roles in debacles that scalped investors and taxpayers worldwide, while enriching Goldman Sachs — debacles such as the 2008 mortgage crisis and the [Greek debt crisis](#).

Jay Clayton — President Trump announced in January his nomination of elite Wall Street lawyer [Jay Clayton to head the Securities and Exchange Commission](#). As SEC chief, Clayton will be policing many of his former high-priced clients, including Goldman Sachs (where his wife Gretchen is employed as vice president of private wealth management). Clayton’s erstwhile employer, Sullivan & Cromwell, is global insider law firm of storied establishment connections. Among its famous alums are the Dulles brothers, both of whom were founders a century ago of the Council on Foreign Relations (CFR), the leading American brain trust undermining U.S. sovereignty and promoting world government. Allen Dulles would serve as director, secretary, vice president, and president of the CFR, as well as director of the CIA. During World War II, he knowingly collaborated with communist Noel Field, a member of Alger Hiss’s Soviet spy ring. John Foster Dulles, besides serving as U.S. secretary of state, also held top posts at the Carnegie Endowment for International Peace (where he promoted Soviet agent Alger Hiss), the Rockefeller Foundation, and the liberal-left Federal Council of Churches/National Council of Churches.

Dina Habib Powell — In January, President Trump named Dina Powell, the head of philanthropic investing at Goldman Sachs (and CFR member), to be his economic assistant and senior counselor for economic initiatives.

Jared Kushner — Married to President Trump’s daughter Ivanka, Kushner is one of the president’s most trusted advisors. He has stepped away from running the Kushner Companies, a multi-billion-dollar real estate and publishing empire owned by his family, to serve in the White House. Although not formally tied to Goldman Sachs, he is rumored to be “the connection” that is funneling personnel from GS, Blackstone, and other Wall Street firms into the new administration. On January 29, the *Jerusalem Post* featured an article entitled “Kushners Host Shabbat Dinner for Trump Cabinet Members,” reporting that the guests at the Kushners’ new Washington, D.C., home included “Department of Commerce nominee Wilbur Ross and his wife Hilary Geary Ross; Trump Strategic Communications Director Hope Hicks; Ivanka Trump’s unofficial adviser Dina Habib Powell also joined the celebration; former president of Goldman Sachs and top economic policy adviser Gary Cohn; and Treasury Secretary nominee Steve Mnuchin and his partner Louise Linton.” The British tabloid the *Daily Mail*, which had photographers staked outside the home, [captured shots](#) of the guests’ arrivals and departures. Kushner could be facing some of the same issues as Anthony Scaramucci (reportedly a friend of Kushner) for a



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huge, recent business deal with another dodgy Chinese company. At issue is the Kushner Companies' recently-concluded \$4 billion deal with China's Anbang Insurance Group involving the Kushners' flagship New York City skyscraper, valued at \$2.85 billion. The hot property sale at 666 5th Avenue (honest, we're not making this up) is raising concerns because of what some observers are calling the "unusually favorable" terms involved for the Kushners. "The planned \$4-billion transaction includes terms that some real estate experts consider unusually favorable for the Kushners," *Bloomberg* reported. "It would provide them with both a sizable cash payout from Anbang Insurance Group for a property that has struggled financially and an equity stake in a new partnership." The cash payout could be more than \$400 million. Obviously, if Anbang is paying significantly more than the property is worth, it raises questions about what they are really (or think they are really) buying — such as access to the political and financial centers of American power. Anbang, with around \$300 billion in assets, is tightly tied to China's top Communist Party leadership. Anbang Chairman Wu Xiaohui is married to the granddaughter of Deng Xiaoping, China's "paramount leader" from 1978 to 1989. As we [noted recently](#), Anbang's many property purchases include the 2014 acquisition of the Waldorf Astoria, the historic luxury hotel, for nearly \$2 billion. That deal was brokered by the Blackstone Group, whose chairman, Stephen Schwarzman, now chairs President Trump's Strategic and Policy Forum.

Not a Pretty Picture

The new Trump administration is looking more and more like yet another replay of "Government Sachs," which means we are less and less likely to see White House support for the types of fundamental economic reforms that we so desperately need, and that Candidate Trump at least gave some hope of finally effecting. That is especially true with regard to auditing the secretive cabal known as the Federal Reserve, which has turned the U.S. economy into the private reserve of the Wall Street banks, whose agents run the Fed. On January 24, 2017, *Bloomberg* ran a story entitled "Mnuchin Backs Fed Independence and Signals Reform Isn't Priority," which reported on his confirmation hearing for treasury secretary. "The Federal Reserve is organized with sufficient independence to conduct monetary policy and open market operations," Mnuchin said, in response to a question from Senator Bill Nelson (D-Fla.). "I endorse the increased transparency we have seen from the Federal Reserve Board over recent years."

"Increased transparency" at the Fed? Where? When? How about demanding real transparency through real audits? Jeff Hauser from the Center for Economic and Policy Research in Washington commented that judging by Mnuchin's statements, "he seems to be OK with the status quo." And that status quo is the equivalent of allowing a pedophile to remain in charge of the nursery school — and then not even checking up on him. After all, William C. Dudley (a Goldman Sachs banker from 1986-2007) is president of the Federal Reserve Bank of New York and vice-chairman of the bank's important Federal Open Market Committee (FOMC). Robert Steven Kaplan, a former vice chairman of Goldman Sachs, is president of the Federal Reserve bank of Dallas. Neel Kashkari, president of the Federal Reserve Bank of Minneapolis, was Goldman Sachs vice president in San Francisco. And former Treasury Secretary Henry Paulson (a former head of GS) brought Kashkari along with him to Treasury and put him in charge of the TARP fund — which Kashkari used to carry tons of cash to Goldman.

But we're supposed to forget all of that; let it go down the memory hole. The Fed and Treasury officials have learned from their "mistakes" and have sufficiently reformed, Mnuchin says, so we must not compromise their "independence." These angelic operatives and their fellow Wall Street banking cronies from JPMorgan Chase, Citigroup, Morgan Stanley, Carlyle Group, etc. are incorruptible and



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would, of course, never succumb to the temptation to abuse the vast powers and privileged information at their disposal!

Secretary Mnuchin's remarks seem to be a pretty solid indication the Trump administration is not inclined toward supporting the ["Federal Reserve Transparency Act"](#) introduced in the Senate (as S. 16) by Senator Rand Paul (R-Ky.) and in the House (as H.R. 24) by Representative Thomas Massie (R-Ky.). If signed into law, the Paul-Massie bill would require a full audit of the Fed's Board of Governors and the privately owned regional Fed banks by the comptroller general of the United States. Candidate Trump indicated he would support this type of move toward true transparency. However, President Trump's appointments and Mnuchin's comments are signaling something entirely different. Liberty-minded Americans must realize that whatever positive things President Trump may accomplish in other areas will amount to very little in the long run — and may be fairly easily reversed by a subsequent administration — if the Wall Street banksters running the fraudulent Federal Reserve system are allowed to continue carte blanche pillaging the American economy, robbing the American people, and amassing even more unchecked power.

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