



Life In Brief

Current Title: Secretary of Treasury

Political Party: Republican Party

Born: December 21, 1962

Birthplace: New York, NY

Religion: Jewish

Ethnicity: White/Caucasian

Marital Status: Married

Education:

- Yale University (CT), BA, 1985

Family:

3 children (3 from previous marriage)

Work History:

- Secretary of the Treasury, 2017-present
- National Finance Chair, Donald J. Trump for President, 2016
- Chairman/Co-Chief Executive Officer, OneWest Bank, 2009-15
- CEO, SFM Capital Management LP, 2003-04
- Vice Chairman, ESL Investments, 2003
- Goldman Sachs, 1985-2002 Executive Vice President & Chief Information Officer, 2001-02 Partner, 1994-2002 Consultant, 1985-94
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- Partner, 1994-2002
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Quick Summary

Hedge fund executive and Wall Street insider whose early investment in the Trump campaign earned him a spot in the President's cabinet; focuses on deregulation and tax reform

- Son of a partner at Goldman Sachs who became a partner himself and led the bank's powerful fixed income, currency, and commodities division; pioneer of block trading
- Left investment banking to become a hedge fund manager and Hollywood financier
- Invested in failing regional lender IndyMac, now OneWest, during the financial crisis
- Long history of donating to political campaigns, including many Democratic candidates, but joined Donald Trump's campaign early-on and launched campaign's fundraising efforts with no prior experience
- Pushes for economic growth and job creation through tax cuts and rolling back Dodd-Frank
- Has supported Trump's protectionist trade policy, including emphasis on bilateral deals and imposition of steel and aluminum tariffs
- Understated personal style; avoids the spotlight

Approach and Motivations

Pro-growth approach informed by private sector experience

- At Goldman, saw firsthand how regulations can inhibit lending by financial institutions, resulting in a lack of access to capital for small businesses and entrepreneurs
- Experience with the inflexibility of regulators, through the purchasing and rebuilding of IndyMac, solidified belief that burdensome policies have real outcomes for everyday Americans, including home foreclosures



Chief liaison between Trump Administration and Congress on economic issues

- Has been one of the most effective members of the Trump Administration negotiating across the aisle, including with Nancy Pelosi
- Described as bringing pragmatic, result-driven attitude to negotiations

Policy Position and Areas of Focus

Proponent of tax cuts and deregulation for Wall Street; aligns closely with Trump on foreign policy initiatives, including trade and sanctions

Taxes: *Frames policies around effect on the middle class*

- Pledged that the wealthy would not benefit from the Republican tax plan, which became dubbed the “Mnuchin rule,” but has since distanced himself from that promise, citing mathematical challenges
- Vocal advocate of the 2017 Tax Cuts and Jobs Act, praising the impact on the middle class
- Proponent of eliminating the estate tax as a matter of fairness

Deregulation: *Rolling back and streamlining Dodd-Frank era requirements*

- Wants to clarify the definition of proprietary trading under the Volcker Rule and has attributed volatility in the equity market to the effect of the law
- Authorized reinstatement of Primary Dealer Credit Facility, which would provide overnight loans to Wall Street firms
- Proposed revisions to the Comprehensive Capital Analysis and Review (CCAR) framework, to limit CCAR process to once every few years and prohibit the Fed from objecting to

a firm’s capital plan when it fails the qualitative portion of CCAR

Trade & Foreign Policy: *Has supported economic protectionism and campaign of maximum economic pressure on adversaries*

- Favors bilateral trade agreements over regional deals; opponent of provisions to prevent competitive currency devaluation in trade deals
- Defended Trump’s steel and aluminum tariffs
- Under his leadership, Treasury has announced sanctions against North Korea and groups including the Syrian Scientific Studies and Research Center and Chinese Bank of Dandong

Core Communities

Wall Street connections have been crucial to success in business and in political rise

Investment Bankers: *Long tenure at Goldman and involves former colleagues in business ventures; elevates bankers to leadership*

- Worked for Goldman Sachs for 17 years, rising to position of EVP and Chief Information Officer; served alongside CEO Henry Paulson who went on to become Treasury Secretary under George W. Bush
- Bought IndyMac with support of investment group that included former executive J. Christopher Flowers; founded hedge fund Dune Capital Management with two Goldman partners
- Named former Morgan Stanley bankers Justin Muzinich and Craig Phillips to Deputy Treasury Secretary and Counselor to the Treasury

Hedge Funds: *Deep network of elite investors*

- After he left Goldman Sachs, Mnuchin worked as vice-chairman of hedge fund ESL



Steven Mnuchin

Secretary of Treasury

Vignette
by National Journal

Investments, which is owned by his Yale roommate Edward Lampert; Lampert is former CEO of Sears, where Mnuchin sat on the Board

- Established the company SFM Capital Management together with financier George Soros; Soros also invested in IndyMac
- Has made investments alongside hedge-fund manager John Paulson; Paulson served as an economic adviser to Trump during the campaign

Trump Administration: *Working relationships with Trump appointees*

- Long-standing ties to President Trump from investment in Trump International Hotel and Tower in Honolulu and Chicago; served as his campaign Finance Chair in 2016
- Worked with counterpart Lewis Eisenberg on Republican National Committee during Trump campaign; he is now U.S. Ambassador to Italy
- Comptroller of the Currency Joseph Otting previously served as CEO of OneWest, a bank formed by Mnuchin; OneWest vice chairman and chief legal officer Brian Brooks was recruited to join the Office of the Comptroller

Political History

- National Finance Chairman, Donald J. Trump for President, Inc., 2016-2016
- National Finance Chairman, Pres. Donald J. Trump (R), Candidate for Executive Office of the President, Office of the President, 2017

Relevant Financial Information

High-dollar donor to Democratic and Republican campaigns with heavy emphasis on Trump and allies in recent years

Estimated net worth of \$400 million

- He and group of investors sold OneWest bank in 2015 for \$3.4 billion
- Upon entering office, divested stake in financial firm CIT group worth \$105 million; also eliminated shares in OneWest, Berkshire Hathaway, Microsoft, Verizon, and Goldman Sachs to avoid potential conflict of interest
- Vast real estate portfolio, owning at least six homes worth tens of millions of dollars
- Expensive art collection, including \$15 million oil painting by Willem de Kooning

Political Donations

- Between 1995 and 2014, donated over \$120,000 to political organizations, PACs, politicians, and political parties, including high-dollar contributions to many Democratic candidates such as Hillary Clinton, John Kerry, and Barack Obama
- Between June and September 2016, donated over \$400,000 to the Republican Party, including donations to Paul Ryan and Donald Trump

Publications, Media and Speaking

Speaks in cable news channels, at banking conferences, and before foreign affairs groups on taxes, trade, and international affairs

Media: *Appears in national cable news outlets to discuss foreign policy and tax reform*

- Favorite Subjects: U.S. foreign relations, trade, Trump tax plan, economic growth
- Preferred Outlets: National cable news outlets including FOX Business and CNBC
- Social Media Habits: Active on Twitter

Speaking: *Speaks with bankers' groups and foreign policy organizations on fiscal policy and trade*



- Favorite Subjects: Taxes, tariffs, free trade agreements
- Preferred Audience: Banking conferences including Delivering Alpha and the U.S.-Gulf Public Private Banking Dialogue; and foreign policy groups including the American Swiss Foundation and Jordan Growth & Prosperity Conference

Professional Affiliations

- member , Sears Holdings'

Family and Personal Background

Comes from affluent family and was able to attend an elite university; also launched movie financing career

Family background in business and investing; attended Yale

- Born and raised in New York, NY
- Great grandfather Aaron Mnuchin was Russian-born diamond dealer who emigrated to the U.S. in 1916 and built glass blowing company Midland Glass
- Father Robert Mnuchin was a partner at Goldman Sachs in charge of equity trading and a member of the management committee; Father is also the founder of an art gallery in New York City, the Mnuchin Gallery
- Mnuchin's mother was a long-time investor with Bernie Madoff; after his mother died in 2005, Mnuchin and his brother liquidated her investments, making \$3.2 million
- Attended Yale University, where he was a publisher at the Yale Daily News and was initiated in the Skull and Bones secret society
- His first job was as a trainee at investment bank Salomon Brothers in the early 1980s, while still studying at Yale

Side business as movie financier

- Founder of Dune Entertainment, which was the financier of a number of notable films, including the *X-Men* film franchise and *Avatar*
- Wife Louise Linton is an actress

Criticisms and Controversies

Has come under scrutiny for involvement in IndyMac foreclosures and role in Sears Holdings bankruptcy; has also received ethics complaints for using government position for personal benefit

Criticized by Democrats and national media over profiting off IndyMac foreclosures

- Took over California's IndyMac bank, which was shut down by the FDIC amid the 2008 foreclosure crisis
- During Mnuchin's tenure, IndyMac carried out over 36,000 foreclosures; progressive attack ads labeled Mnuchin the "foreclosure king"
- Renamed the bank as OneWest Bank and after running it for six years, sold for a profit estimated at \$1.5 billion

Named as defendant in lawsuit by Sears Holdings

- After Sears went bankrupt, company that formerly owned it sued Mnuchin and ex-CEO Edward Lampert for "asset stripping" during their tenure

Investigated by government watchdog over use of government aircraft for personal endeavors

- Report by CREW found that Mnuchin took over \$1 million in taxpayer-funded trips on military aircraft that could have been taken on commercial airlines, including a trip with his wife that coincided with the solar eclipse
- Mnuchin denied that the trips were personal



Accused of helping friend and billionaire Michael Milken with tax breaks

- Mnuchin instructed his staff to accept a non-low-income tract in Storey County, Nevada, as an Opportunity Zone after attending Milken Institute event in Beverly Hills
- Milken was an investor in the Nevada tract; Mnuchin claims he had no knowledge of this