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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

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April 27, 2017

The Honorable Walter M. Shaub, Jr.
Director
U.S. Office of Government Ethics
1201 New York Avenue NW Suite 500
Washington, D.C. 20005

Dear Director Shaub,

Several weeks ago, the White House announced that Ivanka Trump would become an official government employee, serving as an advisor to the President. While I welcome the transparency that should follow from Ms. Trump formalizing her role in the White House, I have concerns that conflicts of interest arising from her business efforts will have a deleterious effect on our trade and foreign policy.

To date Ms. Trump and her husband Jared Kushner have played a prominent role in relations with foreign governments. At the same time, Ms. Trump continues to pursue a number of business interests, including apparel businesses valued at over \$50,000,000 and reported efforts to establish a “massive fund” backed by foreign governments and corporations.

Many of Ms. Trump’s businesses sell Ivanka Trump branded merchandise, and the Chinese market plays an important role in the manufacturing, export, and sale of these products.¹ News reports indicate that sales for Ms. Trump’s branded products reached record levels in 2017, and that imports of her products, mostly from China, grew 166 percent last year.² On April 6 the Chinese government granted provisional approval for three new trademarks for the Ivanka Trump brand. On the same day, Ms. Trump dined with the Chinese president, Xi Jinping during a state meeting at Mar-a-Lago. Experts have stated that Ms. Trump’s trademarks applications appear to have been approved “incredibly quickly” compared to the normal 18 month to two year application process.³

¹ Washington Post, Workers Endured Long Hours, Low Pay at Chinese Factory Used by Ivanka Trump’s Clothing-Maker, Apr. 25, 2017, https://www.washingtonpost.com/business/economy/workers-endured-long-hours-low-pay-at-chinese-factory-used-by-ivanka-trumps-clothing-maker/2017/04/25/b6fe6608-2924-11e7-b605-33413c691853_story.html

² AP, Ivanka’s Biz Prospers as Politics Mixes with Business, Apr. 19, 2017 <https://apnews.com/d9e34f23a64947d99e4a7d757012c509>

³ NPR, China Defends Trademark Grants for Ivanka Trump Products, Apr. 19, 2017 <http://www.npr.org/sections/thetwo-way/2017/04/19/524765086/china-defends-trademark-grants-for-ivanka-trump-products>

Of additional concern, Ms. Trump is reportedly working with the World Bank Group to establish a fund backed by several nations including “a few Middle Eastern countries.”⁴ While White House sources have stated that Ms. Trump would not have an active role in the fund’s management, it is still unclear under what authority she is interacting with the World Bank, what her role as an advocate for the project will entail, and what conflicts of interest may result.⁵

Office of Government Ethics (OGE) regulations prohibit a federal employee from participating personally and substantially in an official capacity in any particular matter that will have a direct and predictable effect on the financial interest of the employee.⁶ Furthermore, OGE regulation impute Ms. Trump’s business interests to her husband, Mr. Kushner. Although Ms. Trump will reportedly not participate in the day to day operations of her businesses, she still retains financial interest and control over her ventures. I am concerned that these reported arrangements will continue to create improper conflicts of interest resulting from Ms. Trump and Mr. Kushner’s employment in the White House.

For example, Mr. Kushner appears to be the President’s principal Middle East advisor, visiting military forces in Iraq earlier this month and leading the Administration’s peace efforts in the region. If reports that Ms. Trump is establishing a fund backed by Middle Eastern interests are accurate, the fund’s existence would create significant opportunity to improperly influence the White House both through Ms. Trump’s role as an advisor and Mr. Kushner’s.

I am concerned that Ms. Trump’s refusal to divest from her business interests, and her creation of a fund to solicit foreign money, provides foreign governments an opportunity to improperly influence United States trade and foreign policy. As the director of the Office of Government Ethics, you have the authority to review potential ethics violations and notify the employee’s agency of any potential violation. I request that you review Ms. Trump’s plans to establish a “massive fund,” as well as the level of control and financial interest Ms. Trump retains in her apparel business and determine whether her role as a White House advisor creates an impermissible conflict of interest.

Sincerely,



Ron Wyden
Ranking Member

⁴ Axios, Ivanka Trump’s new fund for female entrepreneurs, Apr. 26, 2017, <https://www.axios.com/ivanka-trump-berlin-visit-business-entrepreneurship-fund-2379517583.html>

⁵ Bloomberg, Ivanka Trump in Talks About Women’s Fund With World Bank, Sources Say, Apr. 26, 2017, <https://www.bloomberg.com/politics/articles/2017-04-26/ivanka-trump-said-to-discuss-fund-for-women-with-world-bank>

⁶ 5 C.F.R. § 2635.402.