

WHAT YOU SHOULD KNOW ABOUT WILBUR ROSS, TRUMP'S SECRETARY OF COMMERCE

Wilbur Ross is a private equity investor who built his wealth by buying struggling or bankrupt companies and then using bankruptcy laws to eliminate union health and pension benefits for workers.¹ Ross is estimated to be worth around \$700 million by Forbes magazine, with another \$2 billion that he claims is undisclosed and owned by a family trust.²

MAJOR CONFLICTS OF INTEREST:

Ross has met repeatedly with business leaders with whom he or his family has a financial interest. In March 2017 alone, he met with the CEO of Chevron and the CEO of Boeing, even though his wife owns \$400,000 and \$2 million respectively in those companies.³ The next month, his schedule included a meeting with a member of the board of Qatar Investment Authority, a sovereign wealth fund that pumped money into one of Ross' private equity vehicles.⁴ As Forbes reports, "Ross scheduled meetings with top economic officials in Greece while holding an interest in a major Greek bank. He held investments in a Brazilian auto parts company when he was scheduled to meet with Brazilian officials. His calendar lists meetings with leaders of three state-controlled funds—from Qatar, Japan and Singapore—that had previously handed money to his private equity firm, according to former employees."⁵

INTERNATIONAL AUTOMOTIVE COMPONENTS GROUP:

One of his biggest conflicts of interest is around his partial ownership of the International Automotive Group, which claims to be the world's third-largest maker of interior car parts. Ross did not divest from that company until October 2017, and he **met with major customers** of the IAC,⁶ including BMW chairman Harald Krueger, Toyota North America CEO Jim Lentz, General Motors CEO Mary Barra, and Ford Motor chairman Bill Ford. All of them had significant topics to discuss with Ross around aluminum and steel tariffs.⁷ In September 2017, while Ross still personally held ownership of the company, IAC closed on a new joint venture, alongside a Chinese state-owned company, making Ross a business partner of the Chinese government. That same month, top Chinese officials hosted trade talks with Ross.⁸ In May 2018, Trump announced that he was considering launching an investigation into the importation of auto parts, citing "national security" concerns...and that Ross would lead the investigation.⁹

CHINA AND RUSSIA:

Ross is currently one of Trump's top lieutenants in the ongoing trade war. But he also has a \$500 million joint investment with a Chinese state fund in Diamond S Shipping, making him a business partner with the Chinese government. Ross initially told the Office of Government Ethics (OGE) that he planned to hold on to his stake, prompting questions during his confirmation hearing. Ultimately he handed his interest in the business to his family.¹⁰ During his confirmation process, Ross also did not disclose his ownership interest in a shipping company called Nautical Bulk Holding, which was founded to finance the construction of 20 vessels in a Chinese shipyard. Ross transferred his ownership to a family trust in October 2017, without publicly disclosing that he ever owned a stake.¹¹ Journalists also uncovered that Ross still held a stake in a shipping firm named Navigator Holdings, which linked him to some of Vladimir Putin's closest allies. He eventually divested from Navigator, on October 25, 2017.¹² In a rare move, the OGE refused to certify Ross' 2018 personal financial disclosures.¹³

To summarize, **Ross served for nearly a year as Secretary of Commerce while maintaining stakes in companies co-owned by the Chinese government and a shipping firm tied to Vladimir Putin's inner circle.** When forced to divest, he placed his interests in a family trust — so his family will continue to benefit from his dealings with China and Russia.

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