

Trump nominates White House lawyer to oversee \$500 billion bailout slush fund

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President Donald Trump announced April 3 that he had picked White House lawyer Brian Miller to oversee the \$500 billion slush fund for big corporations established by the coronavirus relief legislation enacted by Congress late last month. Miller is currently a senior associate counsel in the Office of White House Counsel and deputy assistant to the president, where he was involved in Trump's defense during his impeachment trial.

While Miller previously worked as an inspector general for 10 years in the General Services Administration, the agency that maintains most federal office buildings, his selection to serve in a senior position in the White House in December 2018, as the Trump administration was preparing to fight against a series of investigations after the Democratic Party won control of the House of Representatives, indicates that he is regarded as a Trump loyalist.

His elevation to the position of Special Inspector General for Pandemic Relief, the formal title, is subject to Senate confirmation, but the 53-47 Republican majority has pushed through virtually every Trump nominee to high government office, with the Democrats mounting only token opposition. If the tables were turned, and the Republicans were in the minority with a Democratic president, they would engage in scorched-earth tactics to block the selection of a presidential crony for such a critical position.

The week before he selected Miller, Trump signed the \$2.2 trillion bailout legislation into law, while issuing a signing statement that he would not abide by the provisions in the bill requiring the new inspector general to report regularly to Congress about how the \$500 billion fund for corporations was being used.

In particular, in a statement drafted by the Justice Department's Office of Legal Counsel, Trump claimed

that a section of the law requiring the inspector general to notify Congress if the administration "unreasonably" withholds information sought by a congressional committee is unconstitutional. "I do not understand, and my Administration will not treat, this permission as permitting the [inspector general] to issue reports to Congress without ... presidential supervision."

This is a corollary of the "unitary executive" doctrine long peddled by the political right, according to which all executive branch personnel must be regarded as direct instruments of the president, like fingers on his hands, who cannot respond to any congressional request if the president directs them not to. This doctrine was ignored by those officials in the State Department and National Security Council who obeyed subpoenas from the House Intelligence Committee during the impeachment inquiry, despite Trump's orders to the contrary.

The effect of this signing statement is that Trump is asserting his right, not only to withhold information from Congress about the coronavirus bailout payments, but to deny Congress even the right to know what information is being withheld, or that a cover-up is under way.

Trump has also said that he would ignore language in the bailout bill which bars direct aid to cruise lines, saying, "We're going to work very hard on the cruise line business and we're going to figure something out." Many of the cruise lines are ineligible because for tax purposes they have located their headquarters overseas and therefore are not "American" companies under the terms of the legislation.

While the Treasury is moving quickly to dole out billions to big business—most of the \$500 billion serves to backstop Federal Reserve loans to favored industries and corporations that can begin almost immediately—the

provisions in the emergency legislation that are supposed to assist small businesses, workers and the unemployed are projected to take far longer to implement, if indeed they ever take effect.

Secretary of Labor Eugene Scalia—son of the arch-reactionary late Supreme Court justice Antonin Scalia—said March 30 that federal funds to supplement state unemployment benefits would be distributed to the states by the end of last week, but on April 3 a department official pushed back the distribution to late this week. Many states have refused even to set the machinery in motion to deliver the \$600 a week supplements until they have the money from the federal government.

Federal funds are also required to finance the payments of benefits to gig and contract workers who have in the past been treated as ineligible by the various states. The benefits will be retroactive to March 28, the day after Trump signed the bill into law, but the actual payments may not be made until mid-May, and in some cases much later than that.

Similar delays are expected in the \$1,200 “relief” checks to be sent out to nearly all US workers, as well as \$500 for each child. The *New York Times* reported Monday, “Officials at the Internal Revenue Service have warned that \$1,200 relief checks may not reach many Americans until August or September if they haven’t already given their direct-deposit information to the government.”

Small business owners are also experiencing delays and snags in getting approval for loans needed to keep their businesses from going bankrupt. The National Federation of Independent Business reported that its own survey found half of small businesses would close within two months without emergency aid, while 24 percent have already shut their doors at least temporarily.

The loans from a \$350 billion fund run by the Small Business Administration are not coming directly from the federal government, but are routed indirectly through the banks, which are frequently refusing to loan to non-customers or in other ways placing obstacles to the flow of funds.

While the Trump administration expedites the flood of cash to the wealthy and slow-walks any assistance to workers and sections of the lower-middle class, the economic collapse is accelerating. More than 10

million workers have filed for unemployment compensation in just the past two weeks.

In a single week, nearly 1 million retail workers were laid off by companies like Macy’s, J.C. Penney and the Gap, as more than 60,000 stores have closed, according to one study.

The closures of retail outlets, restaurants and bars have had a disproportionate impact on young workers. An Axios-Harris survey made public Monday found that 31 percent of those between 18 and 34 years of age had either been laid off or put on temporary leave because of the pandemic. This compares to 22 percent of those aged 35-49, and 15 percent of those aged 50-64.

In an interview Monday, former Federal Reserve Chair Janet Yellen said the economy is in the throes of an “absolutely shocking” downturn that is not reflected yet in the current data on the unemployment rate, saying the overall contraction is about 30 percent already.

Responding to suggestions from the White House that the economy would experience a “V” curve—a sharp drop followed by an equally sharp rebound, she said, “I am worried that the outcome will be worse and it really depends to my mind on just how much damage is done during the time that the economy is shut down in the way it is now.”

She added, “The more damage of that sort is done, the more likely we are to see a ‘U,’ and there are worse letters like ‘L’ and I hope we don’t see something like that.”



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