

President Trump's Army Secretary Nominee Withdraws

According to news reports Monday morning, Vincent Viola—the billionaire founder of the electronic trading firm Virtu Financial—President Donald Trump's secretary of the Army nominee, has withdrawn from consideration.

In part, the decision was spurred by the conflict of interest laws that would have required him to separate himself from the companies he has built over the past three-plus decades. The owner of the Florida Panthers hockey team expressed his continuing support for the new administration:

"I am deeply honored to have been considered for this post and appreciate the confidence President Trump showed in me. I offer my continued support for President Trump and his administration and look forward to redoubling my efforts to support the Army and its veterans as a private citizen."

Viola, a graduate of West Point who served in the 101st Airborne and retired as a major in the Army, is personally worth an estimated \$1.8 billion, and is on Forbes' list of 400 wealthiest Americans. According to Trump administration officials, however, his assets made it difficult for the Office of Government Ethics to fully vet him for the job of top civilian authority in the Army.

As *The New York Times* reported last week, he was even going to the lengths of selling a majority interest in Eastern Air Lines, which he also owns:

While Mr. Viola's reasons for seeking a sale of Eastern Air Lines are not known, such a transaction would certainly reduce his exposure to the airline industry, which is heavily regulated by the federal government. But in exchange, Mr. Viola, a retired Army major, may find himself

in the precarious position of being a government official who benefits from federal contracts.

It is not known exactly how much Swift, based in Phoenix, earns from the government; it is a subcontractor and its government business is not logged in any public, federal contracting database online. But one person with knowledge of its operations said it takes in at least \$15 million to \$18 million a year from Immigration and Customs Enforcement alone, in part from deporting illegal immigrants.

While the president has asked a large number of “extraordinarily wealthy” businessmen to join his administration—which come with complicated financial lives that create unforeseen conflicts of interest—Viola is the first to bow out, unable to completely sever those ties. That they are even trying suggests just how dedicated they are to “making America great again.”

Senate Armed Services Chairman John McCain (R-Ariz.) had been expressing his frustration over the slow pace at which the nominees for the civil military heads were being vetted, further fanning the flames over the issue. His committee, however, won’t consider nominees until they have cleared the ethics and disclosure process with OGE.

It’s unclear when the president might appoint a replacement nominee to lead the Army. {eoa}