

'I love the Saudis': Donald Trump's business ties to kingdom run deep

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Trump's ties to Saudi Arabia run long and deep, however, now those ties are under scrutiny as the president faces calls for a tougher response to the kingdom's govt. following the disappearance, and possible killing, of journalist Jamal Khashoggi.

Donald Trump holds a chart of military hardware sales as he welcomes Saudi Arabia's Crown Prince Mohammed bin Salman in the Oval Office earlier this year. (REUTERS)

New York: He's booked hotel rooms and meeting spaces to them, sold an entire floor in one of his buildings to them and, in desperate moments in his career, gotten a billionaire from the country to buy his yacht and New York's Plaza Hotel overlooking Central Park.

President Donald Trump's ties to Saudi Arabia run long and deep, and he's often boasted about his business ties with the kingdom.

"I love the Saudis," Trump said when announcing his presidential run at Trump Tower in 2015. "Many are in this building."

In 1991, as Trump was teetering on personal bankruptcy and scrambling to raise cash, he sold his 282-foot Trump Princess yacht to Saudi billionaire Prince Alwaleed bin-Talal for \$20 million, a third less than what he had reportedly paid for it. (AP)

Now those ties are under scrutiny as the president faces calls for a tougher response to the kingdom's government following the disappearance, and possible killing, of one of its biggest critics, journalist and activist Jamal Khashoggi.

"The Saudis are funneling money to him," said former federal ethics chief Walter Shaub, who is advising a watchdog group suing Trump for foreign government ties to his business. That undermines confidence that he's going to do the right thing when it comes to Khashoggi.

Trump paid his first foreign visit as president to Saudi Arabia last year, praised its new young ruler and boasted of striking a deal to sell \$110 billion of US weapons to the kingdom.

But those close ties are in peril as pressure mounts from Congress for the president to find out whether Khashoggi was killed and dismembered after entering a Saudi consulate in Turkey, as Turkish officials have said without proof.

Trump said Friday that he will soon speak with Saudi Arabia's king about Khashoggi's disappearance. But he also has said he doesn't want to scuttle a lucrative arms deal with the kingdom and noted that Khashoggi, a US resident, is not a citizen. For its part, Saudi Arabia has called allegations it killed Khashoggi "baseless."

The president's links to Saudi billionaires and princes go back years and appear to have only deepened.

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yacht to Saudi billionaire Prince Alwaleed bin-Talal for \$20 million, a third less than what he reportedly paid for it.

Four years later, the prince came to his rescue again, joining other investors in a \$325 million deal for Trump's money-losing Plaza Hotel.

In 2001, Trump sold the entire 45th floor of the Trump World Tower across from the United Nations in New York for \$12 million, the biggest purchase in that building to that point, according to the brokerage site Streeteasy. The buyer: The Kingdom of Saudi Arabia.

Shortly after he announced his run for president, Trump began laying the groundwork for possible new business in the kingdom. He registered eight companies with names tied to the country, such as "THC Jeddah Hotel Advisor LLC" and "DT Jeddah Technical Services," according to a 2016 financial disclosure report to the federal government. Jeddah is a major city in the country.

"Saudi Arabia, I get along with all of them. They buy apartments from me. They spend \$40 million, \$50 million," Trump told a crowd at an Alabama rally on August 21, 2015, the same day he created four of the entities. "Am I supposed to dislike them? I like them very much."

The president's company, the Trump Organization, said shortly after his 2016 election that it had shut down those Saudi companies. The president later pledged to pursue no new foreign deals while in office.

In a statement this week, the company said it has explored business opportunities in many countries but that it does not have any plans for expansion into Saudi Arabia.

Since Trump took the oath of office, the Saudi government and lobbying groups for it have been lucrative customers for Trump's hotels.

A public relations firm working for the kingdom spent nearly \$270,000 on lodging and catering at his Washington hotel near the Oval Office through March of last year, according to filings to the Justice Department. A spokesman for the firm told The Wall Street Journal that the Trump hotel payments came as part of a Saudi-backed lobbying campaign against a bill that allowed Americans to sue foreign governments for responsibility in the September 11 terror attacks.

Attorneys general for Maryland and the District of Columbia cited the payments by the Saudi lobbying firm as an example of foreign gifts to the president that could violate the Constitution's ban on such "emoluments" from foreign interests.

The Saudi government was also a prime customer at the Trump International Hotel in New York early this year, according to a Washington Post report.

The newspaper cited an internal letter from the hotel's general manager, who wrote that a "last-minute" visit in March by a group from Saudi Arabia accompanying Saudi Crown Prince Mohammed bin Salman had boosted room rentals at the hotel by 13 per cent for the first three months of the year, after two years of decline.

Saudi Arabia has also helped on one of Trump's key policy promises and helped the president's friends along the way.

Last year, the kingdom announced plans to invest \$20 billion in a private US-focused infrastructure fund managed by Blackstone Group, an investment firm led by CEO Stephen Schwarzman. Blackstone stock rose on the news. Earlier

this year, Trump unveiled a \$200 billion federal plan to fix the nation's airports, roads, highways, and ports, tapping private companies for help and selling off some government-owned infrastructure.

Schwarzman, who celebrated his 70th birthday at the president's Mar-a-Lago resort in Florida, accompanied Trump on his visit to Saudi Arabia.

- AP