

# Senator Ben Nighthorse Campbell's Billion Dollar Water Grab

## A River Runs Through Him

As any fan of the movie Chinatown knows, in the American West one commodity reigns supreme. Not oil or timber, not gold or silicon chips, but water which flows its glistening way through the body politic, providing nourishment for corruption.

The latest politician caught in a crooked water grab is Colorado's Ben Nighthorse Campbell, the Harley-riding former Democrat who jumped to the Republicans after the 1994 elections. The move didn't surprise observers who had followed Campbell's career. He had modeled himself after Wayne Aspinall, an anti-environmental congressman from western Colorado who orchestrated the spasm of dam-building, mining and logging in the West in the late 1950s and 1960s. Campbell shared Aspinall's loathing of nature, but he's never exhibited Aspinall's grandiose malignity. Campbell's politics have rarely risen above the petty and the personal.

In the summer of 1998, Campbell concocted a bill to transfer the federally-owned Vallecitos reservoir and dam, located in southern Colorado near Durango, to the privately-owned Pine River Irrigation District. Originally, the legislation would have sold the federal property to the ranching and development group for only \$492,000, far below its market value. But by the time the bill had moved out of Campbell's committee, even that small sum had been excised and both the reservoir and the dam were offered on behalf of we-the-people to the Pine River organization for free. In a speech on the Senate floor, Campbell said the transfer was needed in order to give citizens "local control" over their water supplies. The bill flew through the Senate unanimously on a voice vote on October 8, 1998, but stalled when the Congress adjourned before the House could take up the bill.

All of this is standard fare, excepting one factor: Campbell concealed from his colleagues the fact that he is to be a beneficiary of the scheme. He is a major shareholder in the Pine River Irrigation District. The Irrigation District is really a collection of downstream ranchers and devel-

opers, of whom Campbell is the primus inter pares, aka top dog.

Campbell is one of the Pine River group's largest landholders. His Nighthorse Ranch covers 267 acres of the Irrigation District. Ninety percent of the landowners in the irrigation district own less than 100 acres. On his financial disclosure forms Campbell also modestly chose not to disclose these value of these holdings and the water rights.

In theory, the US Senate has rules against this kind of brazen self-dealing. Senate Ethics Rule 37.4 prohibits a senator from introducing legislation "the principal purpose of which is to further his own pecuniary interest" or that of a "limited class" of which the senator or his family

is and how much each member can get away with."

On the Hill, Campbell is widely regarded as a bully, a senate version of Rep. Dick Armey. But in the upper chamber Campbell doesn't have Armey's clout, where he is trusted by neither Republicans nor Democrats. "Campbell is stupid, uninterested and mean," a staffer for a Republican senator tells CounterPunch. "His staff spends most of its time cleaning up the messes he makes." Campbell, who has little influence on the Hill, prefers to throw his weight around back in Colorado, targeting reporters, environmentalists and federal employees. In 1996, managers at the Ignacio, Colorado offices of the Bureau of Indian Affairs lodged

***If the water going to Campbell was sold on the open market it might fetch as much as a million dollars.***

is a member.

But the senate ethics committee didn't see it that way and ended up giving Campbell a mild tap on the wrist for his malfeasance. Campbell sustained the tap bravely, telling a town meeting in Colorado, "These charges were bullshit". Nor had the committee taken up the matter on its own initiative. It was forced to deal with it after a small but feisty Colorado environmental group, the Citizens' Progressive Alliance, filed a complaint alleging numerous violations of senate rules. Thus challenged, the senate ethics committee sat on the complaint for months, then in November 1999 sent the Citizen's Group a letter dismissing the complaint. The committee used subtle reasoning to conclude that Campbell hadn't "technically" violated senate rules. In effect, the committee decided that the Irrigation District, of which Campbell is a leading owner, didn't represent "a limited class".

In the view of Phillip Doe, a Littleton, Colorado environmentalist who filed the complaint for the Alliance "their letter was gibberish. In fact, it's insulting. And it shows just how much of a club the senate

complaints with their superiors about Campbell's intimidation of BIA resource managers, as part of an effort to get the BIA to divert more of its limited water supplies to his ranch. Dan Breuninger, the head of the BIA's Southern Ute Agency, told the Durango Herald in an October 1998 story, that the senator "threatened [BIA employees] with the loss of their jobs."

Breuninger's predecessor, Tony Recker, had also heard complaints about Campbell's strong-armed tactics. "I've heard that the BIA area director has been talked to in a number of ways [by Campbell]," Recker said. When asked if he had been harassed by the senator, Recker clammed up. "I would rather not answer that question."

Such oafish behavior apparently runs in the family. The Campbells' neighbor, Jim Nall, said he was threatened with a beating by Campbell's son. Nall sought and received a restraining order against Campbell Jr. Campbell Sr. doesn't like the press much either. On a recent visit to Durango, the gallant senator met with the county council to discuss the Animas-La

Plata scheme and other legislative matters. Although Colorado sunshine laws require all government meetings to be open to the public, Campbell threw a fit when he espied a reporter from the Durango Herald planning to do his lawful job, covering the session. He demanded that the reporter be removed from the room and the meeting held behind closed doors. Later Campbell said he didn't have anything against that particular reporter, but that he thought the publisher of the paper was "a scumbag".

During his floor speech, Campbell said the Pine River Irrigation District deal fit nicely with Al Gore's reinventing government scheme and that it was motivated by a desire "to save precious taxpayer dollars". The water rights alone are worth an estimated \$2 billion. But that's not all the Irrigation District gets. More than 500 acres of now public land surrounding the reservoir and the dam would be part of the deal. These lands are valued at more than \$100 million, and this doesn't count lucrative oil and mineral rights to these land which would also be transferred to the district. Plus, the Irrigation District would be given the right to charge license fees for boats and other recreational activities on the lake, which might put millions more into the District's accounts.

Campbell isn't out of the legal woods yet. In early February, Doe and his group sent a letter to the Department of Justice's Office of Public Integrity, asking the federal prosecutors to lodge criminal charges against the senator. In reviewing the master contract between the Irrigation District and the US government, Doe discovered a provision that Campbell and the senate ethics committee have ignored. The provision expressly forbids any member of congress from benefiting from the contract.

Over the past 13 years, Campbell has received subsidized federal water from Vallecitos, subsidies that may be illegal under the terms of the contract. The Bureau of Reclamation estimates that the value of the subsidies is \$277,000. But if the water going to Campbell was sold on the open market it would probably fetch more than one million dollars.

Campbell's benefits go beyond the water subsidies. He has lobbied the Department of Agriculture to provide low-interest loans and construction grants to the Irrigation District totaling \$17 million.

## ***Al Gore praised an oil sale which will mean millions to an oil company his family has strong ties to.***

And he has bragged about his role in bringing home such bacon to his fellow shareholders. In a March 6, 1988 letter, Campbell boasted that he had approached Agriculture Secretary Dan Glickman about securing more money for the Pine River Irrigation District and added that "my position on the Committee on Appropriation allows me to work directly on the funding issue".

But there is another aspect to this affair, which expands the level of intrigue and corruption much further, encompassing such environmental kingpins as Al Gore and Bruce Babbitt. Under the auspices of Gore's National Performance Review (NPR), also known as the "reinventing government" initiative, the sell-off of federal assets has accelerated swiftly in the last six years. Although cast as a way to downsize government, in practice the Performance Review has put up for sale valuable federal properties at garage sale prices. Often these assets end up in the hands of political cronies of the administration.

Take one of the great rip-offs of the 1990s: the sale of the Elk Hills petroleum reserve to Occidental Petroleum, a company which deep ties to the Gore family. Elk Hills, located near Bakersfield, is one of the top ten oil reserves in the US outside of Alaska, containing over one billion barrels of oil. Gore praised the disposal of the site, which also provides crucial wildlife habitat. "With the sale of Elk Hills we are getting the government out of the oil business", said Gore piously proclaimed, in a somewhat crude rendition of the functions of government: "We're returning to the private sector those functions that can be more effectively performed in the private sector."

In a similar vein, Bruce Babbitt has helped engineer a huge federal/private land swap in involving his family's ranch in northern Arizona that will aid a sprawling theme-park development called Grand Canyon Forest Village, located near the entrance to Grand Canyon Park. The Disneyland-style scheme is being built by Tommy DePaolo, one of Babbitt's former clients.

Although the Clinton crowd scarcely holds Ben Nighthorse Campbell in high esteem, especially after he jumped ship to the Republicans after the 1994 elections, they may need Campbell's support for another grandiose project: the Amins-LaPlata water project, a multi-billion dollar scam now being hyped as a plan to give more water to the Southern Ute tribes. In fact it's designed to speed development of the booming area around Durango, Colorado. Babbitt once opposed the water project. Now he supports it as part of his legacy to the West (and a pay-off to his political patrons) and he needs Campbell's help in pushing the project through. "We've been flimflammed", Ray Frost, a leader of the Southern Ute Tribe, laments. "Where will we ever come up with the \$185 million to bring the water from the reservoir to the reservation? That water is meant for Durango."

Campbell, by the way, serves on both the appropriations committee and the energy and natural resources committee, which has jurisdiction over all western water projects. CP

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# *Their Man in North Korea*

## **Nike's Joe Appleseed**

**F**or the last 20 years Nike's strategy has been: 1. find the most repressive regime around. 2. put shoe and apparel factories there. The sneaker-maker started in Taiwan and moved to South Korea, Indonesia, Malaysia, Pakistan, China and Vietnam. Phil Knight's thinking was that tyrannies would offer low labor prices and keep a lid on political dissent and worker organizing. As countries begin to democratize, Nike tends to move out.

The chief strategist behind this game plan for Nike is Dr. Joseph Ha, vice-president for Asian affairs and a special assistant to Knight. Ha is the former dean of the international studies department at Lewis and Clark College. Ha, a somewhat secretive figure, is reportedly on friendly terms with the Korean intelligence community. Last year his name cropped up in papers across Southeast Asia when a letter he had written to the government of Vietnam ended up being printed in a Vietnamese paper. Ha's January 11, 1999 letter warned the leaders of the regime that anti-Nike human rights and labor organizers were bent on overturning the Vietnamese government. "The ultimate goal is political rather than economic", Ha wrote. "They target Nike because Nike is a high-profile company and a major crea-

tor of jobs in Vietnam. Nevertheless, this is the first step for their political goal, which is to create a so-called democratic society on the U.S. model."

Ha then fingered Thuyen Nguyen, a Vietnamese-American who now runs Vietnam/LaborWatch. "A few human rights groups, as well as a Vietnamese refugee

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### ***Kim Jong Il rolls out the red carpet for Nike's man in Asia.***

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who is engaged in human rights activities, are not friends of Vietnam", Ha charged. At the time, Nguyen was in Vietnam interviewing Nike factory workers. "It's a dangerous statement to make", Nguyen says. "To accuse activists of trying to overthrow the government ... There are people in Vietnam who might believe Nike and act on it". Ultimately, Nike distanced itself from Ha's letter. But he wasn't fired or reprimanded. And Nike's tactics haven't changed.

Now Ha has resurfaced again, this time

in a bizarre scheme involving the government of North Korea and Mercy Corps International, a Portland-based charity supported by Nike. Last summer Ha visited North Korea, meeting with political leaders. North Korea and the United States have not maintained diplomatic relations since the end of the Korean war. Moreover, the United States retains an embargo against the nation, barring all trade except for humanitarian aid. The exact purpose of Ha's visit is unclear, but he came back to Oregon with a plan to develop orchards in North Korea in the name of famine relief. Ha arranged for the Viewmont Orchards in Hood River, Oregon, to send an initial shipment of 10,000 apple trees to North Korea. Then Ha invited North Korea's UN ambassador, Li Hyong Choi, to Oregon on January 21 to tour the orchards. "Of course we have to give food, because people starve", Ha said. "But the apple project is long-range. It's also renewable."

"This may be a sign that Nike is looking to do business in North Korea," says Jeff Ballinger, director of Press for Change. "It certainly is their kind of political climate." The North Koreans seem grateful for Ha and Nike's attentions and, in return, promise that there will be no liberalization on their end. "Our friends maybe were wondering whether Korea could survive with our present system, and our enemies were hoping Korea would collapse," Li said during an interview in Portland. "Now in a short period of time Korea will be turned into a powerful nation; this is the main determination of our great leader Kim Jong Il." **CP**

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