

This Washington branch of a Minneapolis law firm has over the years boasted a top-tier client list, from Coca Cola to Westinghouse. But Third World regimes are an especially lucrative sort of client, bringing in annual fees ranging from \$100,000 to \$1 million. (Hill and Knowlton got \$10 million for its Kuwait-related account.) What do these countries think they're paying for? Good publicity, comfy trade agreements, and their fair share of U.S. foreign aid—plus the access that makes those windfalls happen.

But before the country—or the lobbyists—get rich, O'Connor & Hannan (O&H) has to create the need and fuel the greed. Hence this "pitch" letter, with its message and context decoded.

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The PR Papers

*Watching a
Washington lobbyist con
a would-be client*

annotations by Art Levine

Art Levine is a contributor to Spy and a contributing editor of The Washington Monthly.

A spring proposal gives corporations and countries plenty of time to award contracts before summer vacations and the onset of the next fiscal year.

A consultant with ties to the Venezuelan government.

A former director of the Peace Corps under Nixon, Joseph Blatchford has since specialized in image-repair on Capitol Hill for Bolivia, Ecuador, and the right-wing El Salvadoran government of Alfredo "Freddy" Cristiani—governments not known for special delicacy in questioning dissidents, but that have been capable of surprising tenderness toward the corrupt and the drug-monied.

Washington

... you were that President ... got so little notice and Venezuela in the early ... ment there, I keep an eye ... ent when he was the ... ncourt). I met the ... ssy in 1979 and I travelled ... id Lillianthal and translate ... Andres Perez.

Venezuela, with its reputation for corruption and periodic human rights abuses, is a perfect candidate for the Blatchford approach. With its relatively democratic government and healthy—if inequitable—economy, Venezuela was able to reap a little more than \$1 million in U.S. aid last year, mostly for anti-narcotic efforts. Blatchford's challenge here: convincing the Venezuelans that he can help them get even more.

Nobody in Washington cares about your obscure president.

... ad a call from an old friend ... tin American on the Senate ... d that he was surprised that ... Senate or get around town ... ere willing to have a ... eign Relations Committee but ... ce of his named Beatriz Rangel ... like this.

But Blatchford does.

Your current lobbyists—such as Arnold and Porter—are doing a lousy job.

... Perez is a major figure in ... many years and has, in my ... y in the hemisphere and that ... opinion and policy makers in the

O&H lobbyists are big-shots. "A lot of statements by senators are written by our people right here on this table," said Blatchford recently, pointing to a glass table in his plush office.

... iates at O'Connor & Hannan have ... political matters in this ... ver the last few years have been ... luding the cement, railroad, ... er goods from Colombia, flowers ... Haiti. I have also represented ... cies such as Costa Rica, Ecuador, ... ve just finished a trip to ... o introduce an American toy ... ventures and seek investment ... ies, and expect to travel to ...

O&H can make you rich from foreign investments. But be prepared to take the heat. Blatchford fails to mention that his work for El Salvador, which brought in \$10,000 a month, generated so much negative publicity that the city of Minneapolis voted in December 1989 to sever ties with the law firm, costing the firm \$500,000 in fees.

... of foreign governments usually ... r the President, Foreign Minister or

O&H can make your president famous in Washington and introduce him to people like Len Downie, George Will, and William Safire. Why should President Arias of Costa Rica be the only Latin American leader with good press and a Nobel Prize?

The more famous President Pérez becomes, the more money your country gets.

other cabinet officers in Washington for meetings with the international financial institutions, the Congress, the White House, the various think-tanks such as the Heritage Foundation, the Center for Strategic and International Studies, Woodrow Wilson Institute and numerous press briefings including a press conference at the Press Club and individual meetings with reporters and syndicated columnists. These visits include meetings with the editorial boards of the Washington Post and visits to New York to see the Wall Street Journal and the New York Times.

This type of activity can generate a great deal of good will and interest on the part of the country and it can surely take advantage of a presidential visit which is a truly unique opportunity to get maximum exposure and that opportunity should never be lost.

Among my colleagues at O'Connor & Hannan are a former U.S. Senator (Republican), a former Congressman (Democrat) and many who have served either in the White House or Congressional staff. My own background includes Director of the U.S. Peace Corps, Under Secretary of Commerce and member of one of the original steering committees of Bush for President back in 1979. I have been active in the Bush campaigns and the Republican Party whereas my colleague, former Congressman Jim Symington, has been active in the Democratic Party and our founding member, Pat O'Connor, was Treasurer of the Democratic National Party and a very close friend of Hubert Humphrey and Walter Mondale. So, we have excellent contacts in the committees in both the House and Senate. Attached is a sample program that we prepared for a President-elect last year and, in fact, I have just come from a luncheon in the Senate which we organized for a Vice Minister of another country.

In order to enhance our capacity for public affairs, we have included a senior partner who has vast experience in communications and who is an advisor to Mr. Morita of Sony and has conducted many international public affairs campaigns, including the communications program for El Salvador, a copy of which is attached for your interest.

Both Republicans and Democrats will vote to give your country more money and trade preferences. (As he drops names, Blatchford makes sure to touch all the political bases.)

Japanese executives are smart people, and they pay O&H big bucks. So should Venezuela.

O&H will work hard on the Hill for the money. But what Blatchford doesn't mention is that O&H's efforts on behalf of El Salvador, perhaps its most visible foreign client, aren't well regarded by several Hill aides, even those sympathetic to the Cristiani government. "His firm just doesn't do a good job," one conservative Hill staffer says of Blatchford. "If they're paying him a nickel, it's too much."

On this team we have numerous people with contacts in the press, public affairs and we write continuing news bulletins to Capitol Hill. Part of the duties of the lobbyist that we can provide for President Andres Perez would be daily or semi-weekly summaries in Spanish of going-ons on Capitol Hill, any legislation that is introduced that affects Latin America, trade preferences, trade cases, which is a specialty of mine, all political developments, speeches on the floor of the Congress.

For example, from January to September of last year I have a list of all of the comments made in the Congress about Latin America. Of the 579 items which appeared in the Congressional Record only eight are about Venezuela. There are three mentions of hearings on the debt, one including the riots that went on, one is a mention of a study by Venezuela of the Nicaraguan electoral process and three mention the nomination of Eric Javits. That's it for the Congress' interest in Venezuela.

I propose that O'Connor & Hannan be retained by the Government of Venezuela to handle several issues:

1. Monitoring events in Washington. Regular summaries to the President on a daily or semi-weekly basis about all bills, rules, regulations, speeches on the floor of the Congress, studies done by think-tanks, press releases given out by the President or the Vice President on issues that would be of interest to the President of Venezuela. This includes delegations visiting here from various Latin American capitals, their schedules, their comments, results of Congressional hearings on Latin American issues including drugs, Central America, debt negotiations. An ear to the ground for the President on the going-ons in Washington.

O&H has its finger on the pulse of the Hill. But that doesn't necessarily lead to political savvy. In 1990, a congressional aide recalls, Blatchford's lobbying team made a wrong-headed effort to enlist the support of the late Massachusetts Rep. Silvio Conte, then the ranking Republican on the House Appropriations Committee, in fighting efforts to reduce El Salvadoran military aid. The problem with this approach was that Conte was a liberal Catholic totally outraged by the killing in November 1989 of six Jesuit priests. After receiving the recruiting call from O&H, a shocked Conte aide asked a Hill colleague, "Are they *kidding*?"

O&H is plugged into the Washington power circuit. Unfortunately, that still doesn't help Blatchford and his crew provide consistently accurate political information to their clients. Last year, before an important vote regarding El Salvadoran military aid, he boasted, "We've got everything in line," and in a strategy memo picked a number of moderate Democrats, like Al Gore, as "best bets" to support the El Salvadoran government. None of them ended up voting as O&H expected. The pro-military proposal—to table an anti-military amendment by Senator Chris Dodd—lost 56 to 43, although Blatchford projected a winning majority of 52 votes.

Hiring O&H means no tariffs and more markets for your country's products.

They'll get President Pérez on "Nightline"—or at least "This Week with David Brinkley." Blatchford isn't quite the media sophisticate he purports to be, however. He accidentally gave this reporter a copy of this memo along with a pile of background papers on El Salvador.

Blatchford will make sure rich Venezuelans will meet congressmen who will help them get U.S. contracts and trade benefits.

This would also include trade issues such as the GSP program of trade benefits, the Caribbean Basin Initiative. Incidentally, I served as the founder of the Caribbean/Central American Action, a non-profit organization that lobbies for economic development in the Caribbean Basin and still serve as a Trustee of that organization.

2. Set up meetings of Congressional committees for high-ranking visitors, including business groups from Venezuela to educate the Congress and increase awareness of Venezuela in hemispheric relations.
3. Conduct a public affairs program: setting up meetings and interviews with journalists, editorial boards, ghost-writing articles for the President in U.S. publications, setting up interviews in Caracas with the McNeil-Lehrer Report and other such prestigious public affairs programs which would feature President Andres Perez and his initiatives for peace and development in Latin America.
4. Organize trips to Venezuela of Senators and Congressmen and, equally important, their staffs to visit the country and meet with the President. Then, make sure that Venezuela is mentioned numerous times in the Congressional Record and on the floor of the House and the Senate.
5. Make sure that news events such as successful rescheduling of debts or initiatives to curb drug abuse or privatization of industries is disseminated throughout the Congress and the media.

Blatchford's firm will subsidize South American junkets for legislators and write speeches for these sunburned congressmen that will be inserted in the *Congressional Record* and that no one will read.

Blatchford is attempting to con his would-be client into believing that the media and Congress will breathlessly follow such "news events" as "rescheduling debt." Actually, there have to be hundreds of natives—or one American nun—slain on the streets before American opinion-makers become interested in Latin America, and even then, their interest is fleeting. Venezuela did, ultimately, win minor attention this year, when a military coup, fueled by anger over corruption and economic suffering, nearly toppled President Pérez.

O&H makes so much money that its employees can jet away to luxury beaches whenever they want. By the way, Ernesto, since you and Blatchford are now buddies, you might want to come along.

O&H will help bring tourist dollars to your out-of-the-way country.

In other words, a comprehensive program of political affairs, communications, lobbying and trade work which will heighten the visibility and awareness and contribution that Venezuela can make to the hemisphere and to U.S.-Venezuelan relations.

Ernesto, you might be interested in another closely held secret, the Island of Margarita. Four different people from this law office have visited Margarita in the last six months and are spreading by word of mouth that this is a good, inexpensive place to have a vacation. Another friend of mine, a tennis player, went to Venezuela to visit and wound up getting a job as a writer down there. The world is expensive and Venezuela is a bargain, a way to see South America and spend time on the beach.

Among other things you can say that I am enclosing a speech that I wrote for the Ambassador of Bolivia on drug issues, a speech that I myself gave in Spanish before the diplomatic corps in Peru, a couple of articles that we authored for Cristiani. You might want to take a copy of the speech we wrote for the President for his campaign on national volunteer service and indicate to him, as I did to Diego, that George Bush used part of that to launch his youth program during his campaign.

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Enclosures

Blatchford writes speeches for presidents and ambassadors. He can do it for Pérez, too.

In the end, Venezuela wasn't convinced by Blatchford's blandishments. According to Justice Department records, its current lobbyists are Arnold & Porter; Collier, Shannon & Scott; and Squier, Eskew, and Knapp Communications. Better luck next time, Joe.



WHO'S WHO

That haggard look on **George Bush's** face in February had two explanations. One, of course, was **Pat Buchanan**. The other was that he was trying to kick the Halcion habit. . . .

But there is some evidence that he still may be popping a pill now and then. Witness his recent reference to **Norman Schwarzkopf** as **General Scowcroft**. . . .

The word around town is that **Bill Clinton** may be home free on the **Gennifer Flowers** problem. Bush and his associates are said to have been mightily impressed by **Bob Squier's** point, reported here last month, that talk about Gennifer will lead to talk about **Jennifer**. One similarity that might occur to reporters is that both women were "taken care of" with government jobs. The one hazard remaining for Clinton is that Gennifer may sue him under the equal protection clause when she learns that Jennifer is making \$112,000 compared to her measly \$17,000. . . .

What does a lobby do when one of its favorite members of Congress, a representative who has been steadfastly loyal to its cause, becomes embroiled in a major scandal? This question is being posed to a number of prominent lobbying organizations by the overdrafts on the House bank. Two examples are **Mary Rose Oakar** and **Stephen Solarz**, who are among the top 24 offenders. Solarz has long been a champion of Israel as Oakar has been of the AFL-CIO. The issue is whether the lobby will look worse embracing or abandoning the sinner. The betting here is that in these two cases, the lobbies will choose to sing along with **Tammy Wynette**. . . .

David Hess of Knight-Ridder and **Pat Towell** of *Congressional Quarterly* won the hotly contested election for membership in the Congressional Press Gallery's Standing Committee of Correspondents, defeating reporters from such news organizations as *USA Today*, *The Atlanta Journal and Constitution*, and *The New York Times*. Why were all these fellows so interested in membership on the committee? Because this is a presidential election year, meaning that there will be Republican and Democratic national conventions, and the committee has a lot of say in handing out floor passes and assigning work spaces to the press. Because convention sites—especially Madison Square Garden, where the Democrats will gather in July—are often short on elbow room, the allocations made by the committee play a significant role in determining access to the floor and the relative comfort of working conditions. . . .

When **Clinton** was at Oxford, he refused to join his fellow Rhodes scholars in signing a petition against the war in Vietnam. His reason: It might damage his political career. . . .

One reason the Bush campaign got off to an uncertain start is that **Robert Teeter** had planned to focus it on the triumph of Desert Storm, and both he and Bush, according to White House insiders, had great difficulty facing

the fact that the voters were much more concerned about the present recession than the past victory. . . .

There is some puzzlement about the personnel moves **James Baker** is making at the State Department. **Thomas Pickering**, who is being sent to India as our ambassador, is generally considered to be doing a good job at the United Nations. Undersecretary of State for Security Affairs **Reginald Bartholomew**, who will be sent to Brussels to serve as ambassador to NATO, is in the midst of delicate negotiations with the former Soviet republics over the disposal of nuclear weapons. He is to be replaced by **Frank Wisner**, who is now ambassador to the Philippines (and son of the legendary CIA official), whose previous career was devoted almost entirely to the Middle East and Africa and who has no experience in the Soviet Union. . . .

Gossip is growing about the switch-hitting proclivities of a prominent political spouse. If we find out it's more than gossip and has some political relevance, we'll get back to you. . . .

During his campaign for the governorship of Kentucky last year, Rep. **Larry J. Hopkins** assured voters that he would not use for personal purposes the \$658,000 left in his congressional campaign fund. Now he says taking the money for himself is "an option." Hopkins is one of 10 congressmen who are still eligible to use the now-closed loophole permitting those leaving Congress to convert campaign funds to their own uses. . . .

David Pryor is denying a report from the *Memphis Commercial Appeal* that he "may retire at the end of the year" because of a heart attack he suffered last April. Another health rumor concerns **Jamie Whitten**, the powerful chairman of the House Appropriations Committee, who entered Walter Reed Army Medical Center on February 3 for "tests and routine medication checks." He was still in the hospital at the end of the month, prompting speculation that he may have a serious problem. . . .

Observers here were amused when **Ron Brown** rushed to **Hillary Clinton's** defense after **Jerry Brown** accused her of influence peddling. The chairman and his partners have never been accused of excessive subtlety in letting potential clients know that their firm is not without connections among the powerful. . . .

It is, by the way, the consensus among the political pundits that Jerry Brown's attack was maladroit in the extreme. His false charge that Bill Clinton was "funneling" money to his wife's firm blew Brown's chance to make a legitimate point. . . .

Politicians are asking how a candidate with the seemingly immense potential of **Bob Kerrey** failed so miserably. One answer from campaign insiders is that his consultants **David Doak** and **Robert Shrum** were trying to recycle the Japan-bashing campaign they ran for **Dick Gephardt** in 1988. That hockey-rink ad was one disastrous result. . . .

—Susan Threadgill