

The Book of Bob

*Packwood's diaries are filled
with steamy tidbits, but they
are also a guide to what needs
fixing under the Capitol dome.
A Monthly annotation*

BY JENNIFER SHECTER

In a town of perpetual charade, Bob Packwood spent 26 years confiding his every thought—no matter how scandalous, lecherous, banal, or absurd—to a tape recorder. He turned to his diary, by ritual, every morning in his Senate office. Like a movie star sneaking a cigarette off-camera, Packwood used this time out of the public eye to record his thoughts with unsparing honesty.

Then, a wave of sexual misconduct charges rippled through the press and the halls of Congress. The Senate Ethics Committee subpoenaed Packwood's diaries, conducted an investigation, and ultimately recommended that he be expelled from the Senate. (On top of the original allegations, Packwood's attempt to alter some diary entries played a major role in the committee's decision.)

The public now has full access to these diaries, published in two thick volumes by the Government Printing Office. Although much of the media coverage has focused on Packwood's sexual peccadilloes—such as a hilarious moment when Packwood is so engrossed by a woman's skill at bridge that he can “hardly concentrate on [her] breasts”—the diaries tell other, more important stories: how money, friendships, and politics mix in Washington to produce policy; how politicians openly skirt campaign finance laws and abuse their power for personal gain; how even the most powerful can be desperately insecure.

These diaries highlight some of the windmills *The Washington Monthly* has been tilting at for more than two decades. It is as clear as ever that the serious flaws in our political process require immediate attention—a lesson that is particularly relevant now, as the House GOP leadership has pushed back campaign finance reform until next year.

The following excerpts, reprinted in their original version and chronological order, offer a rare glimpse behind the scenes into how the nation's capital really works and explain why, so often, it doesn't work. Except for explanatory notes and a few comments, we have left Packwood's words to speak for themselves—and for the state of the capital's institutions. The punctuation and spelling reflect that used by the Ethics Committee.

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June 19, 1989: Ron Crawford has been a close friend of Packwood's for many years. He is also a lobbyist for influential companies such as Shell Oil and for the American Iron and Steel Institute.

November 9, 1989: Packwood is referring to friend and owner of Greenbrier, Bill Furman, and to Tim Lee, a former intern on Packwood's staff and founder of a trucking brokerage. Both men agreed to help the senator keep his alimony payments to Georgie, his wife of 27 years, to a minimum.

January 18, 1990: "Cliff" is Clifford Alexander, a liberal Democrat and the first black Secretary of the Army. He became a lobbyist and the pragmatic nature of his relationship with the Republican Packwood is clear here. Friendship yielded to self-interest when Packwood asked him for a personal favor that Alexander thought would not only hurt his client—the Investment Company Institute (ICI)—but might tarnish his image as well. Packwood's reaction reflects the insecurity that plagues even the most powerful of Washington's elite.

August 27, 1990: Following a Washington tradition of retiring into the lucrative private sector, Packwood dreamt of working with the regional Bell companies—companies he tried to assist during his tenure as chair of the Senate Communications Subcommittee. His efforts did not go unnoticed: Debra Friedman, Bell Atlantic Mobile's regional marketing director, donated \$2,000 to his legal defense trust fund.

THE PACKWOOD DIARIES

June 19, 1989: The American Iron and Steel Institute was in to lobby me for an extension of the voluntary restraints on steel. I let them in because Ron Crawford now represents them. Boy, if this isn't a group of overweight, stand pat, white, past middle age pedestrian men, I've never seen it. No wonder the steel industry is in bad shape.

November 9, 1989: Mike Kelly and I got to the Bill Furman breakfast. It was Furman, [Name Deleted], the former ICC Chairman or at least commissioner, Jim Beale, the lobbyist for Greenbrier, somebody from Westinghouse Credit Corporation, and a sixth person. And it was nothing but to thank me for what I had done on Trailer Train (?) and the investment tax credit—whatever it was I got for them in the tax reform bill—and of course Furman has said he'll join Tim Lee in helping keep Georgie solvent. It was a particularly delightful breakfast. Back to the office about 9:15.

January 18, 1990: A quick lunch with Cliff. It was a nice friendly lunch. He said, "Is there anything I can do?" I hit him up to give a job to Georgie, but he said, "Gosh, we've got that ICI client. It wouldn't look good." I said, "It doesn't matter if we're separated." Well, Cliff said ... and this was after he was bragging about all the money he had, how much they're making, how much he's setting aside, what kind of trust he has for the kids and that he needs to work five more years until he can retire comfortably on his investments and income for the rest of his life, but not enough money for Georgie. It's funny. I hit [Name Deleted] up. He says 'Yes.' [Name Deleted] a close friend but not as close as Cliff. The same with Saunders, same with Ron. They just say bang, bang, bang—yes. But not Cliff. That means next week I've got to turn to Saunders and then to Crawford.

August 3, 1990: [One staff member] handles all the things I don't like. All the social welfare stuff, the education, the handicapped, the blind, all those things that I have so little patience for and all those programs that I think probably are a waste of money....

August 27, 1990: I don't know if I want to go through it and lose, barren of my reputation, barren of money, or go out like Rocky Graziano, having two or three million dollars in this kitty and if no campaign reform is passed I can transfer it to some other kitty. I can become a lobbyist at five or six or four hundred thousand ... What I would like to do is get the Baby Bells to form their own telephone association, breaking away from the United States Telephone Association, maybe bringing GTE in with them, and then organizing lobbying at the grass roots like has not been seen in a telephone association before....

May 31, 1991: At 3:00 met with Bill Furman and a tall guy from Itell in San Francisco, a company that has 70,000 railroad cars that they lease. I can't remember his name. A good-looking guy. Basically this is the argument: they want to keep long trucks off the highways. They want to keep twin-doubles, the two 48-foot ones and the triples off the highways whenever they can. The thing I liked about Furman was that the approach that he made was purely one of economics. He said, "I know the polls show safety but I'm not sure safety is as tellingly proved as people are fearful."... Well, I've often said I like the approach when somebody comes to me and says 'we don't like this because it's adverse to our interests.'

November 13, 1991: ... The people at the function had little green dots or red dots on their tags which meant they had given money to me in the campaign and had either come to the Portland breakfast or had given in some other way. Another of Bill Furman's ways of helping identify people.

March 6, 1992: [Name Deleted] and I and Elaine and Senator X—and the guy travelling with Senator X, met for just 10 or 15 minutes. Senator X again promised \$100,000 for Party-building activities.

And what was said in that room would be enough to convict us all of something. He says, now, of course you know there can't be any legal connection between this money and Senator Packwood, but we know that it will be used for his benefit. [Name Deleted] said, oh, yes.

God, there's Elaine and I sitting there. I think that's a felony, I'm not sure. This is an area of the law I don't want to know.

March 23, 1992: Elaine has been talking to me privately about independent expenditures. Apparently the Auto Dealers are willing to do some spending against [Les AuCoin]. Of course we can't know anything about it. [Name Deleted]'s going to do it. We've got to destroy any evidence we've ever had ... so that we have no connection with any independent expenditure. Elaine says that Tim Lee is also willing to do an independent expenditure, but I don't know how we've ever given the impression we have of no connection to him.

September 30, 1992: [Name Deleted] was in with [Name Deleted]. He runs a publishing house in Alexandria. He has 220 employees and what they publish are forms to tell Medicare providers how to comply with the law. He gave me \$1,000. That's worth 10 minutes.

October 4, 1992: ... By and large, everything I want is in this tax bill: the Reforestation Trust Fund; the Drift Nets; the Custom Gun Smiths; everything we need—although I don't think we need

May 31, 1991: This goes to show that in Washington, right is sometimes done for the wrong reasons. The large vehicles discussed in this entry cause many fatalities—in addition to tearing up the public highways—and keeping them off the road is a public service.

March 6, 1992: Senator X, later identified as Phil Gramm, apparently promised Packwood \$100,000 for use in his campaign, even though this violates the rules on "soft money"—money which is not governed by federal donation limits, and which is supposed to be used only for state or local "party-building" activities, not to support particular federal candidates like Packwood. The funds were transferred with the knowledge of Packwood, and his chief of staff, Elaine Franklin, from the National Republican Senatorial Committee to the Oregon Republican party in time for Packwood's re-election bid against Les AuCoin.

March 23, 1992: In his efforts to circumvent campaign finance laws, Packwood manipulated the use of independent expenditures—money spent supporting a campaign that the candidate supposedly has no knowledge of and has not solicited. Packwood violated Federal Election Commission (FEC) regulations by requesting the favor from the Auto Dealers. Former Packwood employee Tim Lee also violated FEC rules, as former employees are not allowed to make independent expenditures.

October 6, 1992: *Although the NRA only officially gave \$2,000 to Packwood's PAC in 1992, the gun lobby spent \$22,613 on the mailing being examined in this entry. Despite the contribution being registered as an independent expenditure, it is clear from this excerpt that Packwood solicited the NRA's cooperation.*

March 27, 1993: *Since the late 1970s, members of Congress have been allowed to solicit money for their legal defense. By the time Packwood went before the Ethics Committee, he had raised \$636,000 through donations from over 1,200 sources including: Jack Valenti, president of the Motion Picture Association of America (\$500); William Gradison, former GOP congressman and president of Health Insurance Association of America (\$2,000); Dwayne Andreas, Archer Daniels Midland CEO (\$5,000); and Senator Robert Bennett (R-Utah) (\$10,000). Contributors did not donate to Packwood's fund just out of the goodness of their hearts. They had a vested interest in keeping Packwood in a position to influence legislation on the powerful Senate Finance Committee and elsewhere. One might wonder: Why would a fellow senator give Packwood money? Simple: Like private lobbyists, congressmen want to be able to count on certain members' votes on important bills.*

the custom gun smiths' deal now, not to get the NRA's help, not as long as I was able to vote against cloture on the Crime Bill. We should have them sewed up. They should do a general mailing to their membership, and a get-out-the-vote mailing.

October 6, 1992: Came back to the office and met with [Name Deleted] from the National Rifle Association ... He showed me the piece the National Rifle Association is going to send out hitting [Les AuCoin]. God, is it tough! It starts right out: Vote to toss out [Les AuCoin] and vote for Senator Bob Packwood. Toss out of Congress someone who believes he made a mistake when he supported your Second Amendment Right. Vote to toss out [Les AuCoin]....

I cannot tell you how tough it is. They are going to send it to 90,000 members. And, he said if he has enough money he's going to send it out to 100,000 Oregon gun owners, or something like that. Now the question is: Are they going to do a second mailing just before the postcard about "get out and vote."

God, things are going in the right direction today....

March 27, 1993: Breakfast with some of the Oregon home builders ... We chatted for a while about some of the things we wanted, and then I got into my complaints with the National Home Builders. The Oregon home builders all said they were mad. They felt they'd been double-crossed, and I said the home builders could make it up with me with a contribution of \$10,000 for my legal defense trust fund.

April 21 1993: ... [Name Deleted] is now representing the Seafarers and the National Lumber Wholesalers....

Well, I had called [Name Deleted] the other day and said, didn't the Seafarers, SPAD being their political action committee, give \$10,000 to [Name Deleted]?

No, \$5,000, he said. And that was for the primary.

Well, I had the figures. They gave \$5,000 in September 1991, and \$5,000 in June 1992....

[Name Deleted] called me back, shame-faced. He said, Bob, there's been a total confusion. I'd like to bring [Name Deleted] in to explain it to you—[Name Deleted] being their political director....

A new president has come in and confusion ran rampant....

They gave \$5,000 bucks to [Name Deleted] against [Name Deleted]. Then the local guy of the Seafarers called and [Name Deleted] gave another \$5,000. Then they weren't keeping good books, and all that.

Well, I'm not sure that's the story but I've been good to the Seafarers....

So he wanted to bring the guy in to apologize. He did, and he said, Senator, what can we do to make it up to you?

I said, You could give \$10,000 to my legal defense fund.

He said, How do we do it?

I said, PACs can give. It's a gift. It's legal.

He says, Tell me who to make the check out to and you'll have it tomorrow....

May 28, 1993: [Names Deleted] from the ATA were in. I said I think we can beat the whole package ... He says what kind of taxes [will be in the package]? And I said the taxes on the rich will be there. He says what about an energy tax? I said I don't think so. I said we may finally move toward a consumption tax. I hope it's not a value added tax, but I think we'll start to move toward one.

I then hit him up for some money for my legal defense trust fund. He said send me the information. I'll be happy to help.

June 14, 1993: At 2:45, [Name Deleted] was in, just to talk about making permanent the low-income tax credit. He, of course, had promised to do something on the legal expense trust fund. He has performed nothing yet.

Back to the office. 6:15, [Name Deleted], the lobbyist for the Laborers Union, came in, gave me a \$10,000 check for the legal expense trust fund. Nothing was said, of course, about striker replacement.

June 16, 1993: [Name Deleted] and [Name Deleted]. He works with the Kansas City Southern Railway. Brought in a \$1,500 check for the legal defense fund. He used to work for WPPS, Washington Public Power System. And I chatted with them about 15 minutes about how WPPS got into the problems that it had.

July 28, 1993: ... he said, have you seen the articles in the Dallas paper on [Name Deleted]'s use of his office for politics? I said, no. He said, well, they've got memos from staff, and it's clear use of his office for political purposes.

I tucked that away in my mind. I've got a copy of it. ... And I came back, told the Wednesday Club of the [Name Deleted] possible indictment. And I said, any memos you got, any papers you got, anything you can destroy ... if it really points to anything involving politics in the office....

BONUS: WHAT'S NEXT FOR PACKWOOD?

January 4, 1993: Well, I'll say again, if worse comes to worst, if they don't expel me. They can strip me of my seniority, they can punish me, they can make me pay money to the Senate, which I can pay for out of my campaign funds, except I'd hoped to use that to set up a historical trust, I may be reduced in six years to my pension and Social Security, and on that, I will live quite happily.

May 28, 1993: Packwood is presumably referring to the American Trucking Association in this excerpt.

June 14, 1993: "Striker replacement" refers to a bill that would have allowed employers to hire permanent replacements for striking workers. The Senate bill, S55, prohibiting striker replacement was blocked by Republicans, including Packwood, last year.

July 28, 1993: Packwood regularly attended the Wednesday Club—a weekly lunch open to all Senate Republicans to discuss their mutual concerns. In this case, the concern was congressmen's use of their offices for political purposes—an egregious violation of the law that nearly cost Senator Kay Bailey Hutchinson her political career.

January 4, 1993: Packwood should "live quite happily" on the \$88,922 annual pension he will start receiving immediately. He would have been entitled to this benefit even if he had been officially expelled from the Senate. Congressional pensions are only suspended if members of Congress are convicted of a crime.

Class, Not Race

The Washington Post's racial politics are making national headlines. What about that paper's—and the rest of the media's—neglect of the working class?

BY AMY WALDMAN

"His investigations often turned on the misuse of money, but since he had become rich himself, he discovered that money was more subtle than it had seemed when he was poor."

—Ward Just, *Jack Gance*

Now all my friends are rich. Curiously, they want me to be rich, too," wrote James Glassman, fresh to Washington, in a 1980 *New Republic* article called "Prisoners of Real Estate." He had missed the boat, he said, by not buying a house in the seventies, while his contemporaries—"the ones who railed against the Vietnam War and big business and private property in the 1960s"—profited from the housing run-up. Still, he mocked those friends as part of a real estate class "obsessed with money," with "no use for drug clinics in the neighborhood, for property taxes, for quaint bars or the trappings of progress. They climb on board and pull up the ladder."

"I guess there's a sort of irony there," says Glassman of that article today. Indeed there is. For Glassman is now not only a homeowner, but he is rich, very rich, having sold off a healthy stake in the congressional newspaper *Roll Call* and become a guru to the investing class. His hair has grayed; he wears sharp suits. He hosts two TV shows. He writes a personal finance column for *The Washington Post* and, since March, a weekly op-ed column as well—a column in which he often proselytizes for "pulling up the ladder," whether discouraging an increase in the minimum wage or lambasting the Earned Income Tax Credit, which benefits the working poor. Glassman is the market's cheerleader, and he is very much in vogue in Dick Armey's Washington.

Twenty-five years ago, Glassman favored a different sort of radical chic—that of the left. When he graduated from Harvard in 1969, anti-war fury and civil-rights agitation were consuming the campus. He wore a motorcycle jacket; he protested the Vietnam War; he railed against corporations. "They wanted to tear the establishment down," recalls Patrick R. Sorrento, production supervisor for the last 28 years at *The Harvard Crimson*, where Glassman was managing editor. "And Jim was right in the thick of it."

In a recent *New Republic* story on affirmative ac-

Research assistance provided by Jamie Peacock.