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Transition Advisers Have Much to Gain

Consumer Activists Concerned Big Business Will Use Team Members to Muscle the Incoming Bush Administration by John Mintz

For months, employees of the Washington public relations firm Strat@comm, which represents the car industry, have touted their boss, Diane Steed, as a person who would wield influence over auto safety and fuel economy issues in a Bush administration, according to Washington lobbyists who spoke with them.

Now, Steed, a highway safety official under President Ronald Reagan, is on the list of transition advisers to the incoming Transportation Department.

Steed is one of 474 members of President-elect Bush's transition advisory teams. Like her, the vast majority of the members are industry lobbyists, corporate executives, trade association leaders and others with a pro-business agenda.

"They might give me a call about some issues, but I wouldn't call what I would say having influence," said Steed, who also runs Coalition for Vehicle Choice, a membership organization supported by automobile companies that consumer activists call an industry front group. She has worked closely with Andrew H. Card Jr., a former auto industry official who has been named as White House chief of staff.

Yet Steed and her colleagues on the Bush transition have much to gain by being publicly identified as allied with the new administration, and consumer organizations have expressed concern about this lopsided industry lineup.

For example, 18 of the 38 people advising Interior, as well as 17 of the 48 assigned to Energy and 14 of 31 dealing with Agriculture, are either lobbyists or ranking corporate executives, according to the Environmental Working Group, a nonpartisan research group critical of the business community.

"This operation is loaded with powerful polluting interests," said Brendan DeMelle, an analyst with the group.

But members of the advisory teams said industry critics are mistaken to assume big business is using them to muscle the new Bush administration and that it was only natural for those who know about particular areas to be tapped for their expertise.

"The Bush transition has been very disciplined," said Mark Isakowitz, a lobbyist for hospital, insurance, generic drug and other health care interests who is advising the Department of Health and Human Services. Bush aides have made clear that "anybody who would abuse these advisory teams for their own parochial interests would be cut down to size quickly," he said.

Republican insiders described a ferocious competition to obtain a spot on the panels, with Washington lobbyists and corporate representatives vying for the opportunity to demonstrate to their bosses or clients that they have the capital wired and an inside line to the incoming administration.

"It's a way for the Bush team to do a favor for people, to show who their friends are," said a conservative activist close to some top Bush aides who recommended a number of lobbyists to the teams. "You want your clients to read about all the access you have. You don't want your clients saying, 'Hey, if you're as tight with these people as you claim, why aren't you on this team?' "

Naming these panels "is a pacifier to . . . official Republicans," said one lobbyist working on the transition. "It gets people

to buy in, and to say, 'Now I know my memo will be read by somebody over there.' "

The membership of the transition teams generally involves two overlapping groups: people who gave or raised large sums of money for the GOP or Bush's campaign; and people who worked on the transitions of Presidents Reagan or George Bush and could help streamline the process in this rushed pre-inauguration period.

Besides the 474 transition advisers, there is another, more select "coordinating group" of 85 transition advisers who deal directly with the agencies. Most of them are young GOP congressional staff members with no business interests in the issues they handle.

Unlike the group of 474, these 85 advisers had to sign contracts stating that they will not use any of the proprietary information they learn in dealing with their agencies or lobby their agencies for six months.

The Bush transition team said members of the larger group didn't need to forswear such lobbying because they will not deal directly with the agencies. "They will act as a source of different reports and information," said Bush transition spokesman Juleanna Glover Weiss. "They're people in the political community with long-standing interests in these specific agencies."

The coal industry is particularly well-represented in the Bush transition. Among the members are Steven Chancellor, chief executive of Indiana-based Black Beauty Coal who is advising the new Energy Department and who -- along with his firm -- contributed \$310,000 to the GOP.

John Wootten, a vice president of Black Beauty's parent firm, Peabody Group -- which has bitterly attacked the proposed Kyoto global warming treaty -- serves on the same panel. Peabody's chairman, Irl Englehardt, is on the Environmental Protection Agency transition team, the company said. Peabody spokesman Vic Svec said they were named "because of Peabody's position as the world's largest coal company and our advocacy of the use" of coal as a fuel, especially in light of rising natural gas prices.

But Peabody and Black Beauty have an even more direct line into the transition process: The head of the coordinating group team choosing top personnel for the Interior Department, and offering policy options, is Thomas Sansonetti. Until recently he was a lobbyist with a Wyoming law firm representing Peabody and other energy firms on leasing matters.

Sansonetti worked with Interior Secretary-designate Gale A. Norton at the agency in the 1980s. A longtime Wyoming GOP activist, he has said he was picked for the transition job by Vice President-elect Cheney.

"This transition is a Cheney operation," said one lawyer on the Interior advisory team. "Cheney's people are everywhere, and when people talk about decisions being made, it's by him and his folks." Two longtime Cheney aides, from both the Defense Department and the political worlds, work closely with him on the transition: former Halliburton Co. lobbyist David Gribbin and David Addington, a former top official at the American Trucking Associations.

The timber business also is amply represented on the advisory groups. Henson Moore, chairman of the American Forest & Paper Association and a prominent supporter of the Bush campaign, is on the Interior transition group, as is one of the group's lobbyists, Steven Quarles of the law firm Crowell & Moring.

Bush aides initially considered skipping the transition advisory process because of time constraints, transition insiders said. But advocates of the idea won out, arguing that business representatives with deep Washington experience can draw maps of each agency's minefields -- depicting the regulatory and legal controversies set for detonation -- that the Bush team would never get from career agency officials.

Although most transition advisers finish assembling their three-ring binders full of policy recommendations within weeks of a presidential election, the lateness of this transition could cause political problems for incoming Cabinet members, said Paul Light, a Brookings Institution vice president and expert on presidential transitions.

"Most of these advisory bodies hand in their reports early, and the secretary-designate says thanks," Light said. "But this time there's a potential negative, because a [Democratic] senator at confirmation hearings could say, 'Does this proposal from this coal company have anything to do with you, and do you agree?' "

Researchers Lynn Davis, Meg Smith and Margot Williams contributed to this report.

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