

News Release

Texans for Public Justice ** 609 W. 18th Street, Suite E, ** Austin, TX 78701

For Immediate Release:
March 5, 2002

Contact: Craig McDonald, Andrew Wheat
PH: (512) 472-9770

Big Donors Reap Big Federal Jobs

Austin, TX: A little more than a year after more than 200 “Pioneers” narrowly helped put him in the White House, George W. Bush has rewarded at least 43 of these elite fundraisers with federal appointments. The Bush “Pioneers” raised a minimum of \$100,000 for Bush by bundling together contributions of up to \$1,000 (the legal limit) from other individuals. Bush’s 43 Pioneer appointees delivered more than \$4.3 million to Bush’s presidential race. Collectively they also gave \$204,000 to Bush’s two gubernatorial races.

“Political patronage is alive and well in the Bush White House,” said Craig McDonald, Director of Texans for Public Justice. “Rewarding big donors with ambassadorships is a sure-fire way to keep the campaign money rolling in. If Congress outlaws soft money, Pioneer bundling will become a blueprint for the future of special-interest politics in Washington.”

The highest-ranking Pioneers are Terrorism Czar Tom Ridge (a former Pennsylvania Governor) and Labor Secretary Elaine Chao (an ex-Heritage Foundation Fellow and the wife of U.S. Senator Mitch McConnell).

Other Pioneers who received Bush appointments include:

- 19 U.S. ambassadors to countries from Austria to Uruguay;¹
- Five members of the Energy Department Transition Team that first envisioned Bush’s supply-side energy policy (including ex-Enron CEO Ken Lay);² and
- Two seats on the President’s Foreign Intelligence Advisory Board.

Appointing so many top donors to top positions can make for strange bedfellows, as illustrated by Pioneer-appointee Ken Lay. One of Lay’s fellow Pioneer-appointees, Elaine Chao, is investigating how and why Lay’s company barred its workers from selling Enron stock as investors pushed the company into a nose dive.

A Pioneer nominee for the board of the U.S. Overseas Public Investment Corporation (OPIC) also must step into Enron’s shadow. Enron’s bankruptcy has exposed OPIC to more than \$1 billion in risk as a result of the massive loans, loan guarantees and political risk insurance that this federal agency extended to Enron. At Ken Lay’s request, then-Governor George W. Bush urged the Clinton administration to preserve this corporate welfare program, which helped finance such investments as Enron’s troubled Dabhol Power Plant in India.

Doling out public offices to wealthy donors is hardly a merit system but it occasionally results in a good match. W.L. Brown, Jr., Bush's Pioneer Ambassador to Austria, for example, is the retired head of the company that owns Jack Daniel's and Southern Comfort. TPJ is confident that Ambassador Brown has the right credentials to throw some of Vienna's best diplomatic parties.

A list of the Pioneer appointees follows. For more on their backgrounds see <http://www.tpj.org/pioneers/>.

Bush's Well-Appointed Pioneers			
Bush Pioneer	Bush Appointment	Pioneer's Affiliation	Home
George L. Argyros	Ambassador to Spain	Arnel & Affiliates	CA
Jorge L. Arrizurieta	Inter-Am. Dev. Bank Alternate Exec. Dir.	Huizenga Holdings, Inc.	FL
Joseph Bogosian	Deputy Assistant Commerce Secretary	McGuireWoods Consulting	VA
Stephen F. Brauer	Ambassador to Belgium	Hunter Engineering Co.	MO
Nancy Brinker	Ambassador to Hungary	Brinker International	TX
W. L. Brown, Jr.	Ambassador to Austria	Brown-Forman Corp.	KY
Chris Burnham	State Dept. CFO	Stock Power	CT
Elaine Chao	Labor Secretary	Heritage Foundation	KY
Robert A. Day Jr.	Foreign Intelligence Advisory Board	Trust Company of the West	NY
Richard J. Egan	Ambassador to Ireland	EMC Corp.	MA
Melvyn Estrin	National Capital Commission	Avatex and Phar-Mor Inc.	MD
Matt Fong	Under Sec. of the Army (withdrew)	State of California	CA
Jose A. Fourquet	Inter-Am. Dev. Bank U.S. Exec. Dir.	Goldman Sachs & Co.	NY
Russ F. Freeman	Ambassador to Belize	Nilles Hanson & Davies	ND
Tony Gioia	Ambassador to Malta	Gioia Management, Inc.	NY
Steve Goldsmith	Corp. for Nat'l and Community Service	Baker & Daniels	IN
James Harless	Energy Dept. transition team	International Industries	WV
Hans Hertell	Ambassador to Dominican Republic	Fernandez & Hertell	PR
J. Roger Hirl	Energy Dept. transition team	Occidental Chemical Co	TX
Thomas R. Kuhn	Energy Dept. transition team	Edison Electric Institute	MD
Floyd Kvamme	Council of Advisors on Science & Tech.	Kleiner Perkins Caufield...	CA
James Langdon Jr.	Foreign Intelligence Advisory Board	Akin Gump Straus...	DC
Franklin L. Lavin	Ambassador to Singapore	Bank of America	OH
Kenneth Lay	Energy Dept. transition team	Enron Corp.	TX
Howard H. Leach	Ambassador to France	Cypress Farms, Inc.	CA
Colin R. McMillan	Student Loan Marketing Assoc.	Permian Exploration Corp.	NM
Stephan Minikes	Org. for Security & Cooperation	Thelan Reed & Preist	DC
Alan P. Novak	Com. on White House Fellowships	Conrad O'Brian Gellman...	PA
Erle A. Nye	Energy Dept. transition team	Texas Utilities (TXU)	TX
John Ong	Ambassador to Norway	B.F. Goodrich	OH
John Palmer Sr.	Ambassador to Portugal	GulfSouth Capital, Inc.	MS
John Price	Ambassador to Mauritius	J P Realty Inc	UT

Mercer Reynolds III	Ambassador to Switzerland	Reynolds DeWitt & Co.	OH
Tom Ridge	Terrorism Czar	State of Pennsylvania	PA
Rockwell Schnabel	US Rep. to European Union	Trident Capital	CA
Ned L. Siegel	Overseas Private Investment Corp.	Siegel Group; Blue Lake	FL
Martin Silverstein	Ambassador to Uruguay	Martin Silverstein & Assoc.	PA
Clifford Sobel	Ambassador to Netherlands	Net2Phone	NJ
Craig Stapleton	Ambassador to Czech Republic	Marsh & McLennan	CT
Charles J. Swindel	Ambassador to New Zealand	US Trust Co.	OR
Ronald Weiser	Ambassador to Slovak Republic	McKinley Associates	MI
Zach P. Zachariah	Pres. Advisory Com. on Asian Americans	Self-employed cardiologist	FL
Kenneth B. Zangara	Interior Department transition team	Ken Zangara Dodge	NM

1 For more on Bush's ambassadors, see <http://www.opensecrets.org/bush/100days/ambassadors.asp>.

2 The five are Enron's Ken Lay, electric industry lobbyist Tom Kuhn, Texas Utilities' Erle Nye, coal baron James 'Buck' Harless and Occidental Chemical's J. Roger Hirl.

###

[Texans for Public Justice](#) is a non-profit, non-partisan research and advocacy organization that tracks the role of money in Texas politics.