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RECORDED INTERVIEW

OF

JACK FERGUSON

CONDUCTED BY

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With

PAUL McCARTHY

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Part 2 of 2, Tape 1, Side B

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Transcribed by:

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INTERVIEW OF JACK FERGUSON

(Beginning of Part 2, Tape 1, Side B, recorded interview.)

JACK FERGUSON: So it didn't -- it didn't turn out to be true. And there was another problem we had. And that is with Jesse Helms. And he wanted Ted Stevens's vote on a tobacco issue and Ted Stevens wouldn't give it to him. Ted Stevens would oftentimes say, "I never trade votes, you know, I only vote the way I feel accordingly." And he didn't support Jesse Helms in this issue and didn't give Jesse Helms that vote.

Upon reflection, we oftentimes think that may have cost us, which uncertain to know because the votes are secret, and so on. And we don't know how the five moderates voted, either. In fact, I remember years -- not years but months later Senator Hatfield walking out of the room saying, "Why is he so damn grumpy? I want you to tell him I voted for him." You know. And that sort of thing. Which I did. Which we didn't believe, but I did.

Anyway, when it came down to learning of who had won that position, we thought Ted had won it by a preceded announcement. So for 10, now, seconds Cathy Stevens and I

thought that Ted Stevens had actually won the leadership. And what had happened was after the last vote, the doors opened, and a page walks by and he looks in. And the pages have been running in and out, there's -- you know, they are present because they are messengers and are hither and to, the office wants to say this to him or whatever, the page walks by, looks up at the dais and sees Ted Stevens. Well, he erroneously assumed that since he was in the dais, he had won. He was at the dais because he was there with Howard Baker and part of the assisting leadership. And he says, "It's Ted Stevens." And we go, "Wow!" You know.

And about 10 seconds later, John Tower came -- came out and -- and Hildenbrand came out and said to somebody, one person -- there was no staff there because we were all held back, but he said, I think, to Hildenbrand, "Dole." You know, or Hildebrand would have known, or somebody, but anyway, we heard "Bob Dole."

And then Ted did something which is very characteristic of him, and I've learned a lot from this. He came out, we went -- our leadership office was just adjacent to that old Chamber; in fact, they shared walls. We walked into that -- his old office, the leadership office as we called it, and he looked around, and he -- there was a number of other key staffers in that room. And he looked around, and he said, "Let's all go to lunch." And we walked out and

he turned the lights off himself and never went back into that room.

And it's symbolic of the fact that through many of the things and disappointments in his life, he has never dwelled on them. He doesn't look back on these things. He has -- there's maybe one instance, but in this trial circumstance, the way he conducted himself all through that time, he's always been a mentor to me. I mean, he taught me really how to deal with that type of adversity, unfairness. He had a certain faith in the justice system, still does, even though it was running roughshod over his reputation. And, you know, he's -- he's really got a steely constitution about life and how to live it, and -- and it's really impressive. And it was noticed way back then.

We went out to lunch and we said, "What are we going to do now? "And we -- and we were just -- it was more therapy than anything else, we could do tax issues on the Floor, yes, there's a need for that. Yeah, but you're not on the Finance Committee, so why really do that. And so on. So -- but we were just -- we were finding the next niche right away.

CHARLES FEDULLO: You say he moves on immediately.

JACK FERGUSON: Yeah.

CHARLES FEDULLO: How -- how much did it bother him, he thought he had the vote? I think we talked to Jack and he said there's one professional event and one personal

event that has affected Ted Stevens more than others, the professional was losing the majority leadership position because he thought he had the votes; and then there's losing Ann.

When it comes to this, was there a thought coming in that there was enough votes that Senator Stevens was going to win, and did -- you know, he was obviously withdrawn, but did it bother him?

JACK FERGUSON: If it did, he didn't show it. The event -- and it's funny that you mention Ann because that was the other event that he didn't move on as well, and that was the loss of his wife Ann. And what was wrong with that, he finally saw, but again, it goes back to the Mike Gravel event.

We passed -- in that time we passed TAPS, now, remember, against that 49-49 vote, but now we are on to what we call D-2. And we had -- we had worked hard on D-2. There had been 42 markups in that bill, and Ted Stevens attended most of them, even though he wasn't on the committee at the time. We'd reached a compromise, and it looked as if it would be signed by the President, and Mike Gravel said he wasn't going to do it, he wasn't going to accept the compromise, and it put that issue over into another Congress where we didn't do as well as we could have done at that time.

Now, Tony Motley had run a very effective campaign

on behalf of business interests in the state, principally the timber interests, and in -- in terms of trying to protect certain multiple use lands for that very person -- reason, I'm sorry, multiple use. And environmentalists were trying to take multiple use lands such as the Forest Service and making them single use, which is very easy to do, all you have to do is declare part of it a wilderness area, and that -- that will supersede the multiple use organic aspect of the -- of that land classification. So on.

So we were losing the Tongass Forest, they were swiping it right and left from us. And the timber industry was just -- there was going to be no place for it to have a timber sale, really, when it was all said and done, and that turned out to be right, there is no timber industry in Southeast right now.

Anyway, so Ted was -- had returned from Europe on a trip, and he was going to the Legislature, but [I] believe he was in June -- Juneau December 4th, 1978, I believe it is. It could be '79 but I believe it was '78, December 4th, '78. And I actually drive out to the Juneau airport with them, a couple cars, and he had a lot of luggage, and they had a Lear Jet, a Lear 30, I think. I'm not exactly sure, but a small Lear.

And there were six passenger -- seven passengers: The pilot who owned the plane and flew it, a good friend of

Frank Murkowski's, a professional copilot; and Ann Stevens took the jump seat. And in that plane, Ted Stevens took the starboard seat facing forward. And I'll -- I'll go back to this issue in a minute because there's two things that happened here. Took the starboard seat that was facing forward, Tony Motley had the port seat facing aft. A fellow named Joe McCracken, a great guy, ran the Sitka mill. No, it's not McCracken. I'm sorry, Joe -- God, he was a Democrat that was a timber guy. Boy, oh boy. Anyway, very prominent and wonderful guy who ran -- ran the Sitka spruce mill was in the port seat, I believe; and a lawyer was in the starboard seat, from Anchorage, a prominent lawyer facing Ted.

And when that plane crashed, flipped over from a wind sheer going 160 miles an hour, broke into three parts. And the fuselage -- the cone, fuselage, tail, Ted was in the fuselage upside down, and they took him out of there and he had a concussion and he went to the hospital and such. But -- and he couldn't remember what had happened.

Tony Motley couldn't remember the whine of the engines, a number of things a little more to the point, but still, at the point of impact, he lost memory, as well.

But the event was something that he felt he did not need to have taken that trip from Juneau to Anchorage had it not been for Mike Gravel's scuttling the bill. And therefore, he had to go to Juneau and explain what had

happened to the Legislature, I believe is what that -- or the Governor, or maybe both. And that was why when he returned, he -- he went -- he returned from Spain, I think it was, to Juneau, and then flew that flight, that -- that flight to -- on December 4th to Anchorage, and it crashed and such.

So he had a "but for" thought in his head. But for, if I did not have to take that flight, Ann would still be with me, and why did I have to take that flight? It was Mike Gravel.

And he really -- you know, we would sit around and sort of think about that, and I was not -- I'm a staffer, I'm not privileged to intrude upon the Senator's personal thoughts, I'm a staffer. But oftentimes a staffer receives word from constituents that they don't want to tell the Senator them self, you know, because they don't have the guts either, they will tell the staffer. You know, and I was getting a lot of -- you know, from Cliff Groh and some of the other old-timers coming up to me and says, "It's not rational what he's saying, the but-for theory is not a sound theory. He needs to accept the fact that this event occurred and it's not circumstantial to other events."

And he did, finally, but there was a period, even when he came over to the House and spoke on the Lands Act, he -- he referenced it, but for, we wouldn't have done that.

And it was sort of like one of those utterances that Ted has been famous for over the years where it's -- once it becomes public, and then it carries on a lot more weight than just sort of a private thought that he might have said to a staffer in the room. And, of course, that's recorded in the Anchorage Daily News and everyone's saying, what's he thinking, and that sort of thing. But he got beyond that.

But to the point, again, of his not looking back, he said to me, "Jack," he said -- he's now two weeks after the accident, he needs to fly back to D.C. -- he says, "Get me a plane, I want to fly back on a private plane."

So I had one client that I knew of who had planes, he had a Hawker, he flew it up from the Lower 48, company policy was that you had to have a person aboard, an employee of the company, an officer, I think. Those are the days when you could fly private planes without remuneration or -- I think we used to, for years, paid first class plus a dollar, now you can't fly them at all, but this is long ago, long before any of those rules were even a thought. So it was -- you know, it was okay.

We got on that plane. He got on first. Everyone's sitting around us. This Hawker was probably -- it was a bigger plane but it was of the same design, there were four seats, you know, passenger. He got on the plane and sat in the starboard seat facing forward.

You know. And we -- none of us, our two staffers and this one officer, none of us said a damn word. We sat there, and like always, he's been sort of a workhorse, got out his work, started working, the plane took off, he didn't do anything, the rest of us are sitting there with sweaty palms, and -- and flew back to D.C.

In those days that thing had to land, I think, twice, too, so you had to land at Minot, North Dakota, or something, because they didn't have the capacity.

CHARLES FEDULLO: I'm going to move you back for one second because I -- I just need clarity for this.

JACK FERGUSON: Yeah. Yeah.

CHARLES FEDULLO: Did the Senator think he had the votes? Did you all think he had the votes before that?

JACK FERGUSON: No, we were not sure.

CHARLES FEDULLO: Okay.

JACK FERGUSON: We were not sure if we had the votes.

CHARLES FEDULLO: Okay.

JACK FERGUSON: Because there were five and it was elimination, so --

CHARLES FEDULLO: You didn't know whose votes were going where?

JACK FERGUSON: Yeah, we didn't know.

CHARLES FEDULLO: Okay.

JACK FERGUSON: I'm almost coming upon the name of that third guy.

CHARLES FEDULLO: If it comes, let me know.

JACK FERGUSON: Yeah.

CHARLES FEDULLO: The only reason I bring that back up is the Daily News has two recorded stories where they say, and so this is why I'm hammering on it.

JACK FERGUSON: Okay. Yeah, sure.

CHARLES FEDULLO: That he knew -- he -- he lost three votes, he thought he had the election won by one vote. That's the only reason that --

JACK FERGUSON: Well, that -- that's -- that's your Jesse Helms story.

CHARLES FEDULLO: That's the Jesse Helms. Okay. That makes sense.

JACK FERGUSON: Yeah.

CHARLES FEDULLO: And I apologize for interrupting with that.

JACK FERGUSON: Yeah.

CHARLES FEDULLO: Let me ask you a question. You talked a little bit about Gravel, the relationship, and did it -- obviously, the relationship was not good. Did it ever affect how -- did it ever affect legislation regarding Alaska or other national interests?

JACK FERGUSON: Oh, yeah. I mean, I've already

given you one piece of the example, that was rather major.

CHARLES FEDULLO: Yeah.

JACK FERGUSON: But keep in mind Gravel had a lot of crazy-ass ideas, you know. The geodesic dome, we're going to put a dome over Mt. McKinley, you know, things of that nature. He would -- he would come up with some pretty crazy stuff.

Now, he sat on the Senate Interior Committee as -- now, mind you, the second time around, on the Alaska D-2 lands, after Gravel has scuttled it and Ted Stevens had attended those conferences, Scoop Jackson, the chairman of that committee, says, "Ted, I can't let you come to these conferences unless you're a member of the committee." So he had to, at that point, give up his post in the Senate Commerce Committee and go over and sit on that House Interior Committee.

Now, that had huge significance when the Republicans took over the Senate because he would have been senior enough to be chairman of the Congress Committee at that time over Larry Pressler, but because he had left the committee at the instruction of Scoop Jackson to protect the interest of Alaska D-2 lands and sit on the committee and marshal it through, he lost that seniority.

Now, in this day and age, they have eliminated that problem; and when a member leaves the committee, he writes

a letter to the Senate Rules Committee saying, "I seek to preserve my seniority and standing on that committee while I am temporarily reassigning myself to another committee." But that letter and that -- that protocol did not exist at the time.

And so when it went on -- so it had -- you know, there was -- there was a rolling sort of effect of all of this, you know, that Mike Gravel did, so it goes pretty deep with the Senator because it -- it affected a lot of different things. It kept him from being the chairman of the Congress Committee, and not necessarily Mike Gravel's fault, but the events at hand sort of turned.

So Mike Gravel, who was not liked by Scoop Jackson, and Scoop would call me, and again, I'm a very young aide, I'm, you know, like 28, 29, you know, I'm pretty -- or maybe I'm 31 or two or something, I don't know, I've been in that spot, I can't remember exactly, but Scoop Jackson came up to me one time, he used to call me the Viking. Because I had my beard. I've always had my beard. I grew it when -- yeah, when Don Young had a Frontiers Day contest, and I was a candidate, so I've had a beard since then.

But he called me up, the Viking, he says, "Why is Gravel doing this? He said, "That is such a crazy thing that he would do that. I can't see how he would possibly think that was in the state's interest." You know.

And Mike Gravel had a -- whether it's true or not, and this may be a little cruel, but we never felt he had the state's interest in mind as much as the rest of the delegation. And in part, it was because of the way he would fraternize outside of the state with -- with luminaries. He loved to be around luminaries, you know, whether they be movie stars or other -- well, like Trudeau, he took up a rapport with Trudeau at one point and his crazy wife, and he would go skiing with them and so on.

But, you know, so he had this sort of fast and loose sort of life-style that was different than, I think, the discipline that Ted Stevens had. Well, I know it was. Anyway, but we were always baffled by Scoop because when it came time for Mike Gravel's election, old Scoop Jackson would be up there campaigning for Mike Gravel, and of course, that teaches you that one very basic and important rule that, you know, when it comes down to it, Scoop Jackson would rather be chairman of that committee than care about the vagaries of Mike Gravel's thinking, and he wanted a Democrat.

And, you know, oftentimes just to jump ahead here a bit, when people talk about the loss of Ted Stevens and this trial, they not only talk about the loss to the Senator, but the loss to the state, but also the loss to the nation because of the balance of power in the Senate, as well as what he contributes.

I could go one step further. I think it's sad because it's -- it's tarnished his legacy. You know, when you pick up the Washington Post today and you talk about Bob Byrd and Ted Kennedy and the 34,000 votes they cast in the 96 years between the two of them that they had served, you know, you could make that same sort of thing between Dan Inouye and Ted Stevens and almost come up with not quite that same number of years, but close to that same number of votes.

And you know, just the reminiscence of it all, it doesn't seem to go in the Senator's way because of this event at hand, and I think it's denied him that privilege. He doesn't talk about it. He doesn't -- you know, again, he doesn't show that it bothers him because he's -- he's just more of a man than that. But it -- it hurts a lot of us that are around him.

CHARLES FEDULLO: Sure. Sure.

JACK FERGUSON: So...

CHARLES FEDULLO: You mentioned that it will harm his legacy. We've got a lot of questions, I'm only going to ask the important ones because you're being very generous with your time.

What should his legacy be for the nation and the state? There's thousands of issues, I mean, that --

JACK FERGUSON: Well --

CHARLES FEDULLO: -- hundreds that you worked on

and developed.

JACK FERGUSON: Yeah. I mean, the Anchorage Daily News has oftentimes run through them, and you know, they are -- you know, you hit the big ones and then you hit some of the small ones. Obviously, TAPS, pipeline, D-2, you know, very important thing. Magnuson-Stevens Act, obviously, you know, a very important thing to the oceans.

When Elmer Rasmusen who chaired the Northwest Pacific Fisheries Council retired from that position, he flew up, I remember specifically, to talk to Rasmusen about what is it that he should be protecting. You know, he wanted a little debriefing so he could do that in the Senate Commerce Committee that oversees the oceans and the fisheries.

He was very, you know, aware of the state's economy and the importance of trying to bring -- you know, to help that economy, the pipeline and the timber industry were important in that regard, but he was also very, very aware of the Bush and Native life, and Ann Stevens played a big role in that. In fact, one of the pallbearers at Ann Stevens's wedding *[SIC]* was Oliver Leavitt who was a prominent Native from Arctic Slope and whale hunter and so on, and he really cherished his reputation among the Native community dearly.

And, of course, the Native community for the longest time had more or less been perceived to be

Democratic, and then he was probably the person that brought more Republican votes out of it than anyone else.

And there is an interesting blog by Don Mitchell that evaluates that Native vote, the 15,000 Native votes that voted against him but didn't vote against Don Young. And that in itself was a margin that would have led to his victory this last time around.

And it was one of those things where you always thought he had that Native vote because they were so appreciative of the hundreds of things that he had done for them: The net operating losses, the 8(a)s. He really created a sort of a -- an economy -- oh, and -- and CDQs. I mean, he created an economy for the Native existence, he created cash flow that no one else could by those three acts alone.

CHARLES FEDULLO: Not only for Natives but for the state, billions of dollars.

JACK FERGUSON: Right. Billions of dollars. And, you know, we got called short on it, you know, a couple of times.

For example, on net operating losses, when he took that issue into the Joint Tax Committee, you know, when you submit that legislation at the door, it goes in there, you don't get to follow it. And it's like going into a black box. And they tell you what the numbers are going to be.

They are going to score it, and they scored it at, like, 400 million that it would cost the taxpayers, right? Well, when it hit the billion and a half mark, people said, "I think we're going to have to revisit this." You know. And such. So he had to undo it.

And 8(a)s, you know, in part, many of his colleagues would come to him, like Pete Domenici and others and said, "You need to undo this." You know. And --

CHARLES FEDULLO: You mean 8(a)?

JACK FERGUSON: Yeah. Oh, Pete McCloskey was -- I mean, Pete Domenici was one -- not -- not that he would, but I mean, he was getting a lot of the pressure from his own side of the aisle to do it.

Now you've got McCaskill running around doing all this craziness, and so on like that, and that's borne of a -- of a active -- very active -- proactive staffer who used to work for Waxman and so on, but it was the Republicans that were telling him that this 8(a) is getting out of hand. You know, Lower 48. So they'd modify it here and they'd modify it there and they'd make certain limitations on it, so he -- he was pretty aware of all that.

But, you know, beyond the fishing industry and the oil and gas industry and the timber industry and the military, I mean, look at the military. You drive on Wainwright and you see a huge hospital. You see a hospital

so big, you can't imagine the veterans of Alaska having a need for a facility that size. And then you learn that, no, it's because he has cobbled together different missions, and this will service all of the soldiers in Korea and elsewhere in the Pacific Rim, and they would be flown in here to do this.

And as the military bases would avoid BRAC, the closing and so on, he would -- he would bring in certain other squadrons as the helicopter squadron.

One time we had a squadron, it was unbelievable, that their mission was to be deployed into subtropical areas. We -- you know, the subtropic -- because we could reach to them from Alaska, but you know, you would -- it was hard to imagine how they would be training for such a mission in Fairbanks, Alaska. But nonetheless, you know, that's what he'd do.

And this hospital was, like, unbelievable. And you know what, in his frame of reference, it was "I'm going to put such as an asset on the ground there that they'll never think of closing this base." And, you know, so in a way, he preserved so many of those things.

But the way he went around as chairman, which will never happen again to any Appropriations chairman, the funding, you know, for various different projects, the core this and that.

I remember attending a city council meeting in Fairbanks, and the council people went through all of the earmarks that he had provided for the city and plotted them and thanked him and told him their new agenda, what more they needed, and so on. And when Ted Stevens would fight against earmarks, I mean, it used to be in the day where, yeah, that's what you did, you brought home the bacon to your state any way you can. Keep in mind there's a ceiling on how much money you can spend, and there's only so much to go around, and you would fight because of it; that ceiling was there, someone's going to get the money. All right.

So it's not like we're all going to turn it back to the Federal Treasury if we don't need it. And there are 40 times more requests for that amount of money, and Ted Stevens would go in there and fight for that money up to that ceiling of spending limitation that the committee assignment would have, and he was quite -- quite able at it.

You know, I think as times change and different views occur, and there are not always, you know, like, the purest of reasons of why things do occur. For example, let's take the denunciation of lobbying and lobbyists.

Part of what I think that occurs, especially with the Obama Administration, is it's part of the strategy to pass a health bill because they felt that last go-around when the Clinton Administration put it forward, it was a

pharmaceutical lobbyist and others that were -- and health insurance lobbyists that were controlling the votes, and -- and the issue got lost in that mix. So what are we going to have to do. We're going to have to take them out of the picture as best we can, so on like that.

That's one example. Another example would be what are we going to have to do with earmarks. If we're going to get control of the budget, we have to keep them from earmarking.

Now, the sad thing about it is the entitlement program eats up, you know, two-thirds of the damn budget. You know, the earmarks account for, as Ted would say, something like less than a percent of the overall budget, yet it was this big issue. So why was it made such a big issue? It was, again, to diminish the authority of the appropriator on the Hill. And -- and again, you know, just like the White House would try to diminish the influence, let's say, of the lobbyists. So now you're taking the Constitution and you're keeping the appropriator from appropriating in a manner that, you know, is -- was envisioned by the Founding Fathers, so Stevens fought that tooth and nail. But, you know, to a populist president, you know, who really never served in the Appropriations Committee, barely served in the Senate, yeah, he'd look at it like, we need transparency, we need to return the power

to the people and so on, which we're really returning it to -- or giving it to, not returning it, you're giving it to the bureaucrat who wants to fund his laboratory or wants to fund his issue and so on.

And, sure, I'm -- there's plenty of examples of an appropriator abusing the process. I think, you know, you see it in the paper today with probably Murtha, but you never saw that sort of abuse by Ted Stevens. You know, it was for the villages; it was for, you know, the military; it was for, you know, the people.

And -- and in that instance, you know, a lot of people make a lot of hooey over the oil and gas industry, it was very low than it ever was before the oil and gas industry, and if anything, it might have been for export ban or it might have been for a licensing for export of liquified natural gas, it would be something that would be in such a large realm that it wouldn't speak to a specific company or anything of that nature. You know, it would just speak to the betterment of the -- and the health of the industry.

But he covered -- he covered the gambit. He was really something. And, you know, you had bypass mail, you had -- you know, you had all sorts of stuff. You know, universal service for phone service in the villages. Paying the same -- oh, man. Can I take that?

(Cell phone ringing, pause in interview.)

CHARLES FEDULLO: Senator Stevens -- a lot of Senator Stevens's former staffers have -- that was just local feedback. I'm going to check that.

JACK FERGUSON: Okay.

CHARLES FEDULLO: A lot of Senator Stevens's former staffers have moved on to lobbying positions.

JACK FERGUSON: Yes. Uh-hum.

CHARLES FEDULLO: Would you talk a little bit about that. Do you think that benefits or harms the State of Alaska? Do you think that -- and you talked a little bit about the lobbying and the vilification of it and, you know, a lot of people think that it's unfair. Talk about that, why it happens, and how it's impacted the state and national policy.

JACK FERGUSON: Well, you know, lobbying has been around forever. And as you know, the word "lobby" is derived from the time when the Congress was meeting only for two or three months, and there were really no great offices, no even hotels to speak of, you know, there were boarding rooms and bed and breakfasts and so on, but meeting places were either in the lobby of hotels or certain public buildings, such as the Capitol. And so when you -- when you addressed a Congressman at the time, you were talking to them in these lobbies, so a lot of them didn't have offices. And they just came up and served here for a brief period and moved on.

And keep, too, in mind that way back then, the members of the Senate weren't here for a long period of time. They were appointed just like the House of Boards, and they didn't usually like the assignment because it took them away from their -- their land and the management of their own personal affairs, and they saw it as I'll do this for six years and I'll do my public service and then I'll move on.

Nowadays, of course, we're into the what some call the professional public office holder and, you know, seniority was a very important event.

Now, there's a pushback to the seniority of the system in terms of term limit and this sort of thing because they think that is harmful to the system, that it gives too much power to a certain limited number of people.

Now, Senator Stevens always felt for the small state, to get its representation, keep in mind it's one man, one vote, and out of the 435 members of Congress, we only have one. So seniority was an important thing because the only way we could deal with the other large states in terms of their demands upon the Federal Government and such was to have our seniority preserved.

Now, that's not uncommon to a lot of other smaller states, especially in the South. And if you would look at some of the history in California and New York, you'll see that their members turn over frequently. And not so in

Hawaii and Alaska and other smaller states, so on. Montana.

So along with that, then, comes -- with the longevity of the service comes to mean that you're going to have more former members of your staff that have moved on to other careers. And whether that be here in town or whether that be in the university system or whether that be in the practice of law back in the state or whatever it may be, whether it be a federal judgeship or whether it be, as might have been my path, commission -- commissioner down at the FCC or the FAA or wherever it may be, you were born of a certain part of a family known as your member's family.

Now, it's not unique to Senator Stevens. Warren Magnuson, Preston Thorgrimson, the law firm, is built around former Magnuson staffers, Manny Rouvelas and Ellers and so on. I mean, there are literally firms in Seattle, Perkins Coie and others, who have a good number of former staffers under their employ.

And Jerry Grinstein, Chief of Staff of Warren Magnuson, staff director of Senate Commerce Committee, and he goes on to be managing partner of Preston Thorgrimson, and chairman of Western Airlines, and chairman of Burlington Northern Santa Fe, and chairman again of Delta Airlines, and stuff like that.

So what you have is -- and while he was managing director of Preston Thorgrimson, he was back here lobbying,

you know, for various different people, and so on. And so what you have is a large group of people who feel not only an intense loyalty to the former member, but have a profound understanding of how he thinks, of how the Senate thinks, of what the Senate thinks about him, the rules and procedures, the timing.

You'd be surprised how many clients do not understand the nature of the schedule of the First and Second Session of a Congress. They come in and ask for assistance in terms of appropriations after the appropriations bills have been marked up and moved on.

When I worked in the House I remember being called upon by certain Boeing executives, and they would ask me if the member was up for election this time, not knowing that a Congressman is up for election every time.

So, you know, you see -- and here's rather sophisticated individuals. I mean, so you -- you see then suddenly sort of a need under the Constitution for the constituency to petition Congress, and how do you do that? You know, well, you would want to do it in a way that was meaningful and knowledgeable, you know, and not just lay your story of woe on the Congressman saying, God, I need assistance, but you know, you'd want to do it with the advice of somebody who knew the procedure, the timing, the likelihood of it being accepted, and had a feel for Congress,

you know.

I'd like to say to the young fellows that worked for me and even to the constituents, never ask a question which you're going to get a "no" to. And if you've got, let's say, the whole package here from one to ten, you can ask questions up to three if you think you're going to get yes, or up to six, but stop there if you think seven, eight, or nine are going to be a "no." Come back another day and look at them from a different viewpoint.

And I've oftentimes said to young people that come and work for me that said, "How do I get to work for a Congressman?"

"Well, the first thing you need to do is know how he thinks."

"Well, how do I learn that?"

I say, "Go work on his campaign." And then you'll see how difficult it is, why a Congressman doesn't oftentimes just simply say yes or no because the person who is running up to him saying you must support this, and if he said yes, he would alienate another three or 400 people.

So he might say, "You know, I'd like to think about that, and I'm sure your views are worthy," and so on and so on.

So you see how difficult it is. You can't just say "yes" to everyone that comes forward to you, and how it is

that you deal with that and how you evaluate that and what your thinking is, and -- and all the hand wringing and everything else, so if you work for -- on that campaign, and then you take that understanding of how he thinks into Congress, and you he see how he works with his colleagues in the same manner as to how to cobble together a support for a vote, and this and that, you start to understand the process to a point where your opinion is valuable.

And like I say, when someone says, "What is being a lobbyist?" I say, "It's about judgment." Now, most people don't have a profound understanding of what a lobbyist is. My colleagues do. And my reputation is held more dearly among my colleagues than to say this to the general public, especially since we're so widely besmirched for whatever political reasons at this particular period of time.

And -- and again, I think the reasons for that is some of the policies are coming forward they don't want to be challenged in a professional way. And they figure if they can take the -- some of the element of the lobbying world out, they will enhance the prospects of passing these things, whether it be good or bad for the people at large or not, or certain interests.

And lobbyists tend to get a bad name for a couple different misperceptions. One is that they represent

private interests and not the general public at large. Oftentimes I say to my clients, I said, you need to explain to the Congress, the Congressman, the senators you're talking to, why this is in the public interest. Because if you can explain to them why your concerns are in the public interest, then you've enabled them, you know, to understand why it might be important to their constituents. And that's what they are thinking about. Not you, as an individual, but their constituents.

So you know, if you're selling wind turbines, you know, or something along those lines, and you can explain why wind turbines are a good thing to your constituents, then, you know, then -- you know, mind you, I mean, look at the -- Senator Kerry and Senator Kennedy who were strong proponents of renewable resources, and they proposed a wind farm in the Great Bay of Cape Cod, and suddenly they don't like it. You know, so --

CHARLES FEDULLO: Walter Cronkite was looking at lobbying harshly against that.

JACK FERGUSON: Right. So, you know, people have their own -- mainly their own particular interests on them.

So anyway, on with the lobbyists. Well, so oftentimes there's a misperception that the private interest is not necessarily in the public interest. And I'm sure there's been times that's true, but not always, and not in

the big swing of things.

Secondly, I think lobbyists take a hit because people perceive them as doing favors for congressmen to enhance their re-election, whether it be campaign contributions, or gathering up support from various different groups, this and that; or having access to them that would be denied somebody else who had certainly an equal -- equally as passionate concern about a certain issue, but yet didn't feel they had that access, yet the lobbyists did because of his time in the past.

You know, I tell you, I've done this now for 31 years, I've been a lobbyist. And the first three years someone once said to me, well -- it was an old senior lobbyist. He said, "If you should succeed, you'll know after the third -- third year or so."

I said, "Why do you say that?

"Because then you're no longer just trading on the reputation you had as a staffer for a member or his access, it shows that you have contributed some way to the development of the problem that's significant beyond just, you know, through your reasoning and your understanding and such."

All right. So now for 31 years I've done this, right? So what have I -- what have I learned? I've learned that we'll be around for a very long time. And I've learned

that I'm not really -- I don't really feel threatened by this most recent time about not thinking well of lobbyists because they play a very important role. And they can help members of Congress achieve their goals oftentimes, and they -- they -- they are important conduits of information, not only in terms of the technical knowledge that's necessary, but also in terms of the political play that's unfolding, and so on.

So I tell you what --

CHARLES FEDULLO: We better end.

JACK FERGUSON: -- I think -- yeah.

(End of Part 2, Tape 1, Side B, end of recorded interview.)