

Elite Power Broker Linked to Seoul Regime

Tongsun Park: Korean Mystery Man

First of two articles

By Ronald Kessler

Washington Post staff writer

Tongsun Park, a South Korean businessman who regularly entertains many of the top leaders of the U.S. Government, is one of Washington's most accomplished power brokers.

Park's parties were attended by Gerald R. Ford when he was Vice President, and Park recently hosted functions for former Attorney General William B. Saxbe and House Majority Leader Thomas P. (Tip) O'Neill Jr. (D-Mass.).

Although Park is on a first-name basis with many of Washington's most powerful political figures, many of his activities have remained a mystery.

Park presents himself as a wealthy businessman with interest in shipping, oil and rice. He and the South Korean government deny that he is a representative of Korea, or that he has any official connection with it.

If Park boasts Korea in his visits with members of Congress, it is only because increased American aid to Korea would indirectly benefit his businesses there, he has told acquaintances.

According to others who have dealt with him, Park parleys connections, money and parties into more power and money and acts as an influential voice of the Korean lobby in Washington.

The Washington Post has been told by American businessmen who have dealt with him in confidential rice transactions that he has identified his role as acting as a representative of the Korean government.

San Francisco Mayor Joseph L. Alioto, who also serves as a lawyer for California's largest rice cooperative, told the Post that Park told him he was going to be the "agent" for the Korean government in rice transactions.

Park subsequently told the cooperative, the Rice Growers Association of California, that he "knew the government people over there, including the Korean CIA and the president," according to Robert W. Freedland, executive vice president of the cooperative.

Freedland said the cooperative had previously been unable to sell rice to Korea either in commercial transactions or in the U.S.-financed Food for Peace program because its agent had been unacceptable to the Korean government.

After the cooperative began paying commissions to Park, Freedland said, "He solved the problems."

An executive of another firm said Park told him at Park's home in Korea that he was "in charge of rice procurement for Korea, and we would have to deal with him."

Like others interviewed, the executive said he did not want to be identified because of fear of economic or physical retribution by the South Korean government.

In 1972, the administrator of the South Korean department that buys rice told an American firm that "... his (Park's) service will be required for all of our rice trade with the United States in the future," according to a copy of the administrator's letter on file with the Agriculture Department.

This year Park told American Rice, Inc., the largest rice cooperative in Texas, that he was buying \$8 million worth of rice from the cooperative for the South Korean government, said Ralph S. Newman, general manager of the cooperative.

Newman said he has a mailgram from Park's lawyer confirming that Park would "arrange final shipping details with the Korean government, on whose behalf he is acting in his transaction..." Park's representation was confirmed by a second source.

An executive of another large American firm said Park told him, "If you don't work with me in Korean rice, you'll have problems."

The executive, who asked not to be identified, said, "Park says if you don't deal with me, I'll clothe you in Korea."

Park declined repeated requests for an interview. His lawyer, Robert J. Ables, said Park "categorically denies" See PARK, A16, Col. 1



Tongsun Park—power through connections, money, parties.
By Harry Nalchayan—The Washington Post

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having served as a South Korean agent.

Referring specifically to the Korean administrator's letter the use of Park's services in the rice trade, Ables said the letter suggests that the Korean agency "had very high regard for Mr. Park's knowledge and experience in marketing problems and about the Korean people's preference in rice and sought to utilize his expertise as an adviser . . ."

Because the letter referred to Park "as the head of his own private company," the letter made clear that he was serving "in a private business capacity," Ables said.

However, Ables said that when the Agriculture Department questioned Park's role—described in the letter as being that of an "intermediary"—the South Korean government "withdrew its request that Mr. Park serve in this capacity and the matter was dropped."

Referring to comments by businessmen who have dealt with Park, Ables said in a letter:

"Certainly something more than comments from business competitors is required to underpin your assumptions, particularly as these comments, as I understand you, were not given in an affirmative complaint but in response to questions by a representative of The Washington Post, with all that such inquiry from that source implies these days."

To many of Park's friends, the 40-year-old bachelor is a man of taste and charm, a gracious host, and a promoter of good will between the American and South Korean people.

"I know of no dealings he has with the government; I know of no dealings he has with the Hill; I know of no campaign contributions he has given, and I was chairman of the Democratic Congressional Campaign Committee. He has never asked me for a single thing," said Rep. O'Neill, whose press aide says Park regularly visits O'Neill to push for American aid to South Korea.

"I think Park is one of the outstanding men I've met," says Peter J. Malatesta, deputy assistant secretary of commerce. "His word is his bond."

U.S. District Court and Superior Court records in Washington show Park has been sued a dozen times for alleged nonpayment of bills and loans, for allegedly writing a bad check, and allegedly reneging on a contract.

The allegations of unpaid obligations have ranged from a \$225 bill for sanding a floor to a \$5,163 charge on his airline credit card to defaulting on a \$100,000 loan from a Virginia bank.

Court records show that most of the suits, two filed as recently as last year, were either withdrawn or settled out of court, while others have resulted in judgments against Park and attachment of his bank accounts.

Park's lawyer, Ables, said the suits were filed earlier in Park's business



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Sen. Brooke and Tongsun Park at the Korean's birthday party in March.

career and were generally for "comparatively" small amounts.

Ables said Park was sued "in his capacity as head of his organization—as with the Georgetown Club—much like a cabinet officer or head of a government agency is named when the lawsuit is aimed at the organization and not the individual."

All but one of the suits name either Park alone, or Park and one of his companies, Suter's Tavern, Inc., which operates the Georgetown Club, a private club in Washington.

In a Post interview in March, Park said he owned about 28 oil tankers. His shipping adviser, Milton G. Nottingham Jr., said recently that he believes the figure is closer to two, although nobody contends Park is poor.

Park and his brother are majority shareholders of Miryung Songsa Co., a Korean distributor for Gulf Oil Corp. The brothers inherited the firm from their father.

Gulf was recently revealed to have paid \$4 million to South Korea's ruling political party to protect the company's assets in Korea.

Park's brother also owns Pan Ocean Bulk Carriers Ltd., which owns some 20 ships, including tankers financed by Gulf and leased back to it and vessels used in part to transport rice under the Food for Peace program.

Park himself owns several additional South Korean firms, known as the Miryung Group, which engage in importing and exporting, shipping consulting and service as agents.

Park has been entering the United States for extended visits either for pleasure or business since 1952. He owns a \$275,000 home in Washington, at 2211 30th St. N.W., a small office building at 1604 K Street N.W., and was recently reported to be negotiating to buy the Sheraton Carlton Hotel with a partner, C. Wyatt Dickerson.

By most accounts, it was Park's decision to operate the elegant George-

town Club after graduating from Georgetown University in 1963 that propelled him to center stage in Washington political society.

The private club has about 400 members, rents space from Park's Suter's Tavern under a 39-year lease, and receives its services from Park's company.

The rehearsal dinner for Luci Baines Johnson's wedding and many other major social events have taken place in the club's low-ceiling dining room, paneled with 17th Century hand-carved Spanish wood.

The club's members have included Presidents Eisenhower and Ford, as well as members of Congress, Cabinet officers and Supreme Court justices, according to its manager, Norman L. Larsen.

Park has explained his parties at the club and at his opulent, Oriental home complete with \$32,000 stereo set, by saying he is grateful for the wealth he has acquired.

"Everybody thinks I have an ulterior motive in giving parties," Park told The Post in March.

"I frankly like to have parties for my friends. It is a privilege to be the catalyst in bringing people together."

"Park has a subtle way of showing you his photo album with the president of Korea on one side and Hubert Humphrey on the other," says an American business executive. (An aide to Humphrey said the senator's only contact with Park has been attendance at one of his parties.)

What is known about the favors extended by Park to the family of Nancy Howe, a former assistant to Betty Ford, is not inconsistent with Park's attempts to garner influence, those who know Park say.

Mrs. Howe's husband James W. committed suicide in April after it became known that Park had acted as host for overseas travel of the Howe family. Be-

fore taking his own life. Howe repaid Park.

Korean officials periodically express annoyance at Park's activities. How- ever, Donald T. Hays, former State Department director of the Office of Korean Affairs, said some officials have been known to express their dis- like about Park because he is a Jew. One source with whom Howe spoke said that was not true.

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Many persons interviewed by The Associated Press said they did not know Park. One source, who makes them- self known as a business associate of Park, said he is a playboy. But his friend, Tandy Meems Dickin- son, said Mr. Park is an honorable man. He is not a playboy. His work includes regular visits to Mem-

bers of Congress with jurisdiction over foreign affairs or foreign aid programs affecting South Korea. Since 1946, South Korea has received \$12 billion in American foreign aid, excluding military expenditures or more than \$1 billion, except South Vietnam. Park is a frequent visitor. Rep. Wolf, who generally takes a hard line against the Korean government, said that Park is a man of considerable ability. He is a man of considerable ability. He is a man of considerable ability.

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added. "I do not accept his favors, here or in Korea. Maybe I have a cup of coffee with the man."

When Passman traveled to Seoul in January, his hotel accommodations were arranged by Park's company. On those occasions when he has accompa- nied Passman to Korea, said Gordon R. Dore, a friend of the Congressman, Park has been at the airport to greet him. Dore said he has had several appointments for Park to visit him in Washington. Dore said he has had several appointments for Park to visit him in Washington.

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2 Unaware They Were 'Directors'

Like many of Tongsun Park's business activities, the identities of the directors the identities of the directors of his primarily Washington-based company are a mystery.

The company, Pacific Development, Inc., is involved in the Food for Peace rice and wheat business to Korea, acts as an agent for U.S. firms doing business in Korea and develops business ventures in the United States.

Corporating records in the District, where the company was incorporated in 1968, list its directors as Robert K. Gray, who heads the Washington office of Hill & Knowlton Inc., a public relations firm; former Rep. Edward R. Hanna (D-Calif.); former Secretary of the Navy, Fred Korth; and Norman L. Larson, who manages the Georgetown Club

for Park's company, Suter's Tavern, Inc.

But Gray, who is sometimes seen at parties escorting Rose Mary Woods, former President Nixon's personal secretary, said he became aware that he was listed as a director earlier this year when Korth mentioned he had just found out he was listed as a director.

According to correspondence made available by Gray, Gray told Park in a letter Jan. 30, "Not only have I never agreed to serve on the board of the corporation, I was never asked to do so. I have never attended a meeting of the board, nor been asked to do so... To be frank, I had not even heard of the corporate name until my recent conversation with Secretary Korth."

Park's company replied with a copy of purported meetings of a directors' meeting that allegedly took place Dec. 10, Gray said.

The minutes, provided by Gray, state that Gray, Korth, Hanna, Park and Larsen were present.

"Robert K. Gray and Fred Korth stated they did not wish to continue as directors and that they wished to resign," the minutes say. "Their resignations were accepted and they left the meeting."

The minutes are signed by Park, Larsen, Hanna and Milton G. Nottingham Jr., who was allegedly named as a new director. Nottingham is a shipping adviser to Park and vice-president of another Park company, Five Star Navigation Co. Nottingham acts as shipping agent on much of the Food for Peace rice business to Korea.

Gray and Hanna said they have never attended a directors' meeting. Korth and Larsen declined to comment.

Nottingham said he signed the minutes because he understood the matters reported by them had been the subject of agreements among the parties.

"I wouldn't say the meeting didn't take place," he said. He said it is not uncommon for a small business to prepare such minutes even though directors "may not be physically present."

Asked if he was saying the meeting did not take place, Nottingham said, "I think I've said enough."

Park declined to be interviewed. His lawyer, Robert J. Ables, said in a letter: "On the matter of directors, Mr. Park mistook certain preliminary conversations. Corrective action has been taken, and he regrets any embarrassment caused by the misunderstanding."

—Ronald Kessler