

Gingrich Letters Offer Insight on GOPAC's Goals

Potential Backers Saw Shift From State Focus

By Toni Locy
Washington Post Staff Writer

Nashville real estate developer Ted Welch had established himself as a generous GOP donor by 1986 when Rep. Newt Gingrich (R-Ga.) focused on him as a prospective charter member for GOPAC, a Republican fund-raising group Gingrich hoped to build into a major political force.

In a letter encouraging Welch to make a \$10,000-a-year contribution, Gingrich offered a glimpse into GOPAC's strategy that illustrates why the highly secretive group became so controversial. That letter and two others—copies of which were obtained by The Washington Post—are enlightening because little has been known about how GOPAC raised and spent money in its early years.

Gingrich's communications with both Welch and his friend, then-Gov. Lamar Alexander, also left a clear impression that GOPAC had shifted its attention from state and local politics to federal races long before it was legally allowed to do so.

Concern about GOPAC's secrecy and whether it was violating federal election laws has only heightened since Republicans gained control of Congress in 1994 in keeping with the group's long-range goal. The Federal Election Commission recently brought suit against GOPAC, questioning the legality of its operations during several years when it was not yet registered as a federal political action committee but working ardently to gain a GOP congressional majority.

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GOPAC, From A1

Gingrich wrote to Welch that GOPAC was "active in 22 congressional districts" and working with the National Republican Congressional Committee to develop a "farm team" of GOP congressional candidates who would help the party gain control of Congress. In the July 1986 letter, he explained that GOPAC's mission had the "heartily endorsement" of President Ronald Reagan and other Republican Party leaders.

Both Welch and Alexander, to whom Gingrich had written for help recruiting Welch, were concerned by the oblique language in Gingrich's appeal. Welch, who now serves as finance chairman for Alexander's presidential campaign, said he declined the GOPAC pitch. "I felt like they were doubling up on the NCC [national congressional committee] and switching their focus," he said in an interview.

Alexander wrote back to Gingrich, "If you are simply building up one more organization to raise money for congressional races, I doubt you will find Ted interested and you will have lost my interest. . . . The last thing we need is another Washington-based fundraising operation promoting Senators and Congressmen."

Gingrich, now the House speaker, has insisted repeatedly that GOPAC was not involved in raising money for national political races until after it registered as a federal political action committee in May 1991. But GOPAC's activities and its secretive operating style have been a recurring issue for Gingrich, who used the fund-raising arm to build his national reputation and lend support to his GOP allies across the country.

Gingrich's chairmanship of GOPAC—a position he resigned in May after an ethics complaint was filed, is now under review by the House ethics committee, which is considering naming a special counsel to probe a half-dozen complaints about the speaker's ancillary activities. Of key concern to the committee is whether GOPAC's big backers, many of whom also are hefty Gingrich contributors, received special access or favors from Gingrich on issues they had before Congress.

Under pressure, GOPAC recently has begun limited disclosure of its financial picture, allowing reporters to make notes but not photocopy some

of its contribution records. Gingrich this week announced that freshman Rep. John Barden Shadegg (R-Ariz.) would take over as GOPAC chairman. Shadegg, a former Arizona prosecutor who enforced state campaign finance laws, said he will "absolutely insist" that GOPAC comply with state and federal laws governing public disclosure.

Meanwhile, GOPAC is battling the FEC to protect the privacy of its backers. The FEC's suit in U.S. District Court contends that GOPAC masqueraded as a nonprofit corporation, keeping most of its finances secret, while its real purpose was "to elect Republican candidates to the U.S. House of Representatives."

To prove its case, the FEC is focusing on GOPAC's activities from 1989 to 1991, and seeking access to materials from a list of GOPAC contributors to minutes of meetings that may have been attended by charter members, people who give or raise \$10,000 a year.

The FEC also is contacting GOPAC's charter members, asking them what they were told about GOPAC's goals when they were first re-

cruited. The list, which GOPAC has kept confidential, was compiled and published last year by Mother Jones magazine; the FEC submitted the article to the court. The list includes corporate executives such as Dwayne O. Andreas of the agriculture giant Archer Daniels Midland Co. along with lesser-known traditional Gingrich supporters such as J. Patrick Rooney of Golden Rule Insurance Co.

In August, GOPAC went to court to try to prevent the FEC from contacting its contributors, saying it constituted harassment. But federal Judge Paul L. Friedman allowed the FEC to move forward, saying it had a right to contact any and all potential witnesses.

The FEC's lawsuit focuses on a direct mailing project—the Campaign for Fair Elections—conducted from June 1989 to August 1990. In it, Gingrich solicited contributions to help “break the Democrats’ iron grip on Congress by building a new Republican majority in the House of Representatives.” He described a plan “to gain a Republican majority in the House of Representatives by 1992. . . . Our plan is ambitious. We’re aiming to overturn a Democratic reign that’s lasted 35 years.”

Gingrich uses similar rhetoric in letters he sent to Alexander and Welch in July 1986, about two months before he became GOPAC's general chairman. At the time the letters were written, he was the group's campaign chairman.

Alexander and Welch were so put off by the pitch that Alexander wrote back to Gingrich, telling him they were “troubled” by the emphasis on Congress over statehouses, and warning him that he would lose support if he established yet another

political action committee for congressional candidates.

In a phone interview, Welch said that after he read the letter or talked to Gingrich, he remembers thinking that GOPAC was “changing course.” Welch said he was an early GOPAC supporter, going back to when it was founded in 1979 by Pierre S. “Pete” du Pont IV, then governor of Delaware. Under du Pont's leadership, the group contributed more than \$1.4 million to 1,200 state legislative candidates between 1979 and 1984, according to Gingrich's letter to Welch.

But in 1984, House leaders Robert H. Michel (Ill.) and Guy Vander Jagt (Mich.) approached du Pont and “asked him to change the scope of GOPAC,” Gingrich wrote. “In order to win a majority in the U.S. House of Representatives, they knew Republicans had to become more competitive in more congressional districts, and to do that we had to build from the grass-roots level. They felt GOPAC was the ideal organization for this job.

“GOPAC's program now is to build Party strength and groom promising future congressional candidates in congressional districts where there may not be a possibility of winning a seat right away, but where voting demographics show there is a Republican voting strength and that with the right candidate and sufficient Party strength, a win can be ours,” Gingrich wrote.

In his Sept. 2, 1986, response, Alexander said he thought Gingrich had abandoned GOPAC's original mission. “The suggestion is that you are now busy electing Congressmen, instead of Legislators,” Alexander wrote. “You may mean that you are electing Legislators *WHO WILL*

ULTIMATELY RUN FOR CONGRESS. That is a good idea. The Legislatures ought to be the breeding ground for future Congressmen.

Mark Merritt, an Alexander spokesman, said Alexander “vaguely” recalled the exchange of letters and did not remember if he ever got a response from Gingrich to his concerns.

Welch, a former Republican National Committee finance chairman, said he also wanted GOPAC to continue catering to state and local candidates. “I felt like they had found a niche with the legislators being the farm team,” he said.

Tony Blankley, a Gingrich spokesman, said he knew nothing about the letters and referred calls to GOPAC. Lisa Nelson, GOPAC's executive director, said the letters apparently were “produced out of house,” meaning that they were not in GOPAC's current files.

She said she believes the letters have no relevance to the FEC's lawsuit against GOPAC because it deals with the 1989 and 1990 fund-raising campaign.

“My comment regarding these letters is that it is clearly our goal and our purpose to elect legislators who would one day run for higher office,” Nelson said. “We continue to recruit and train candidates at the local level . . . [to] build this farm team.”

FOR MORE INFORMATION 

To read the full text of the letters between Newt Gingrich and Lamar Alexander, see *Digital Ink*, The Post's on-line service. To learn about *Digital Ink*, call 1-800-510-5104, Ext. 9000.