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I Am Robert Keith Gray

By Joseph C. Goulden

One of Ralph Nader's young associates testified earlier this year at hearings on the industrial use of vinyl chloride, which is supposed to do awful things to one's body. Later, an account executive for Hill and Knowlton, the public relations firm representing the manufacturer, went over to the young lady. "I complimented her on a good presentation and asked if I could have a copy of her text. She asked who I represented. When I told her H&K, she sniffed and looked away." H&K didn't get the text.

Hill & Knowlton, however, can't be dismissed with a sniff. It is the largest public relations firm in the world, with 500-plus employees in 17 countries, offices in 36 US cities, and an extensive Washington operation. Nothing quite like H&K exists anywhere else in the city's lawyer-government-lobbyist establishments. What H&K sells — for a minimum of \$4,000 a month for corporations, \$5,000 a month for trade associations — is manipulation of the governmental process — in Congress, the regulatory agencies, the executive departments. People who have been brushed by the public relations colossus say it is powerful indeed, yet H&K can be near invisible. Its forte is making things happen, but without fanfare or credit.

And to be candid, after weeks of poking around and talking both with people in the firm and others who have had experiences with it, I'm uncertain what to make of it: Is H&K a certifiable menace, capable of corrupting the commonweal? Is it a puffed-up paper dragon kept big by emissions of its own hot air: a ménage of flacks and pastured political hacks, nimble-toed performers of that old Washington hustle known as the rain dance that gets them many dollars for convincing naive corporate poohbahs they can perform miracles? Or is it simply a nicely furnished office on K Street that offers a high-class guide service for industrialists who don't know the FTC from the FPC, and churns out background sheets putting clients' cases into A-B-C simplicity for the edification of Congressmen, regulators, and the press?

The surface evidence points to real power. H&K's Washington chief, Robert

Keith Gray, is as well wired a Republican as you can find outside the White House. He spent the last five years of the Eisenhower regime in the White House west wing—first as patronage assistant to Sherman Adams, then as Presidential appointments secretary (between November 1957 and May 1958, Gray has boasted. "I had more hour-by-hour, day-to-day contacts with the President of the United States than did any other man in government"), finally as secretary to the cabinet (in those days, cabinet members actually came to the White House and sat at a table with the President and discussed matters of state). More recently, Gray regularly dated Rose Mary Woods, Richard Nixon's secretary, and people who know him say he enjoyed access to the former President's ear — via phone and quiet personal visits — even during the final isolation of Watergate. And as a Republican fundraiser Gray collects money in six-figure globs.

Because of Gray's prominence and political connections, most people see elephants when they look at H&K. But the firm also has Liz Carpenter, a Johnson Administration intimate and easily one of the most popular Democrats in town. Although Liz never carried a title higher than press secretary to Lady Bird, the LBJ White House used her as an idea generator, and she had more impact upon events than is generally recognized. Gray insists he hired her for her wit and ideas, not her political contacts, and adds that H&K has more Democrats than Republicans among its 34 Washington staff people. And until recently, Gray's number-two man here was Larry Merthan, onetime administrative assistant to former Senator Eugene McCarthy.

Consider, too, H&K's client list. Gray once exclaimed to an underling, "Do you realize the corporations we represent produce 14 percent of the gross national product?" H&K services the corporate interests that dominate the American economy: steel (American Iron & Steel Institute and a number of member companies); oil (American Petroleum Institute, along with four major oil companies and El Paso Natural Gas); aerospace (Aerospace Industries Association of America); marketing (Grocery Manufacturers' Association); consumer goods (Procter & Gamble); communications (National Association of Broadcasters, which paid H&K half a million dollars in a single cable TV fight); and other corporations ranging from Avco to Transamerica.

Further, according to Bob Gray, B. Allen of Alabama and Sam Ervin of North Carolina, it worked on behalf of the Grocery Manufacturers Association,

who is a big employer, and by that I mean of significant size in the district or state." Good will is not necessarily transferrable in Washington, and the fact that H&K works for Client A, who is powerful in a Congressman's home district, does not necessarily mean the Congressman will be friendly to Client B, located three states away. The important point is that H&K's wide range of clients gives it a wide range of Congressional and bureaucratic contacts: During any given year, rare is the Congressional office or government agency that does not receive at least one contact from H&K.

Political connections. Rich, important clients. Professional expertise — because of its size, H&K has resources for chores ranging from extensive attitudinal studies about a client's image to production of film strips and computer analyses of who is reading its press releases. A broad network of contacts, both on the Hill and in the regulatory agencies and the executive departments. In short, the trappings of power and influence in Washington.

Yet what does H&K actually accomplish?

I first called a broad range of people in and around the lobbying industry — Congressional sources, especially committee staff members; lawyers in the superfirms and the trade associations; reporters who write about matters affecting H&K clients; working-level officials at the regulatory agencies; often-tested informants who generally know who's doing what for whom in Washington.

Right away, an anomaly. Most of them knew H&K — or knew of H&K, to be more precise — and realized that it "had something to do with lobbying and PR."

But a surprisingly large number reported no direct relations with it. Morton Mintz, for instance, the *Washington Post* reporter who has written perhaps more column inches on regulatory and consumer affairs than anyone in town, pondered a moment and said, "Aside from receiving those distinctive brown-and-white H&K envelopes, most of which I never even open, I can't recall any dealings with them at all." A staff man for Senator Charles Percy, deeply involved in legislation for the Consumer Protection Agency — a major lobbying target of H&K — said he wasn't even aware H&K was involved in the fight. H&K, for the record, devised the overall strategy for killing the proposed consumer agency in the Senate, and provided thousands of words of speech materials for such foes as Senators James B. Allen of Alabama and Sam Ervin of North Carolina. It worked on behalf of the Grocery Manufacturers Association.