

## Rocking Boat Over Iraqi Rice

A load of rice headed for Iraq has been stuck in the port of New Orleans for more than a month, but two Washington lawyers and Jordan's ambassador to the United States are lobbying to set it free.

**Westway Merkuria**, a New Jersey subsidiary of the French **Companie Financier Sucre et Denres**, claims it has been an unintended victim of the U.S. embargo against Iraq. Westway owns the shipload of 27,000 tons of rice, worth between \$10 million and \$12 million. The rice is loaded on the M/V **Thalia**, the company's ship, which was preparing to sail for Iraq when Saddam Hussein invaded Kuwait on Aug. 2.

Westway had relied on U.S. export credit guarantees when it purchased the rice, most of which was bought from U.S. rice growers in Louisiana and Arkansas.

Unable to arrange a substitute commercial sale quickly, Westway turned to its D.C. lawyer, **Christopher Hicks** of **Anderson, Hibey, Naumeim & Blair**, to get help from the U.S. government. Hicks joined forces with **Bart Fisher**, a trade partner at D.C.'s **Patton, Boggs & Blow** who was recommended to Westway by his longtime client, the **Rice Millers' Association**.

When staff-level U.S. Department of Agriculture officials refused to purchase the rice for the Commodity Credit Corp., which stocks goods for foreign and domestic assistance programs, Hicks and Fisher turned up the heat.

Hicks, USDA general counsel from 1986 to 1989, held a series of meetings with top aides to Agriculture Secretary Clayton Yeutter. He argued that there were precedents dating back to the early 1970s of the department compensating private firms that had been the unintended victims of U.S. food embargoes.

Meanwhile, Fisher drafted and distributed in government circles a white paper urging officials to contact Yeutter on behalf of his client.

The Patton, Boggs lawyer also brought in two rice-state lawmakers, Sens. John Breaux (D-La.) and David Pryor (D-Ark.), who asked USDA officials to use the rice for humanitarian assistance.

Then Jordan, caught between Iraq and the West,



CARL CLARK

**Lobbyist Bart Fisher seeks help for U.S. rice stranded by embargo against Iraq.**

heard about the rice from its D.C. lobbyist, **Leslie Janka**, a vice president of the lobbying firm **Neill & Co.** Janka, former assistant defense secretary and special assistant to the National Security Council, had found out about the stranded ship from his contacts at the State Department and called Fisher. Janka figured that Jordan, inundated with thousands of foreign refugees from Kuwait and Iraq, would be a good candidate for U.S.-subsidized rice.

So at Fisher's urging, Janka persuaded Hussein Hammami, Jordan's ambassador to the United

# LOBBY TALK

BY GREG RUSHFORD AND JUDY SARASOHN

States, to write a letter to Robert Kimmitt, under-secretary of state for political affairs, urging that the rice be sent to Jordan for the refugees.

Ambassador Hammami promised Kimmitt that Jordan would honor the United Nations' economic sanctions and not transfer the food to Iraq.

As of late last week, after a flurry of high-level meetings with USDA officials, Hicks and Fisher had not managed to resolve the situation. USDA officials did not return calls.

"We are hopeful the USDA will do the right thing and help get this food to people who need it," says Fisher.

Hicks notes that the thrust of his efforts has been to urge agriculture officials to cut the red tape.

"Under normal procedures, these starving people in Jordan won't get rice under humanitarian assistance programs for some two months, while we can get it there right away," he asserts. "I can't believe the bureaucratic resistance we have run into so far."

# Gulf Crisis Leaves Firm With Ship Full of Rice

## *Hiring of Lobbyists Fails to Dispose of Cargo*

By Stuart Auerbach  
Washington Post Staff Writer

Stuck with a shipload of rice that got caught in the economic embargo against Iraq, a New Jersey trading company moved to solve its problem in a typically American way.

It hired two heavyweight Washington law firms to lobby its case and came up with an original idea: sell the 27,000 tons of rice to the government, which could ship it to Jordan to feed the hundreds of thousands of refugees stranded in desert camps there.

The company even got Jordanian Ambassador Hussein A. Hammami to present the idea officially in a letter sent last week to Undersecretary of State Robert M. Kimmitt. "Diverting this shipment . . . to Jordan will provide an important source of food for the refugees in a relatively short period of time," Hammami wrote. He

promised to provide guarantees that the rice would not be sent on to its original destination, Iraq, which normally gets most of its food supplies through Jordan's port of Aqaba.

Despite its major lobbying effort, Westway Merkuria Corp. of Englewood Cliffs, N.J., is still stuck with \$12 million worth of rice stuffed into the hold of a ship anchored in the Mississippi River off New Orleans.

"I think this is unfair," said Westway Merkuria Vice President Lee Cameron.

One of his lawyers, Bart Fisher of the high-powered firm of Patton Boggs and Blow, was even more direct. "The State Department and the Department of Agriculture are not doing their jobs," he said.

Lawyers at the other firm—Anderson, Hibey, Nauheim & Blair, which has close ties to the Agriculture Department—were equally angry but

would only speak on background. "We are at an impasse with the rice here while there is an obvious need in Jordan," one said.

Adding insult to injury as far as Cameron is concerned, the Agriculture Department asked for bids for about 20,000 tons of rice to be shipped to Jordan. The government rejected Westway Merkuria's rice, which could be in Jordan in three weeks, and instead awarded the bid to suppliers who can't get the rice to Jordan before November.

Agriculture Department officials, as annoyed with Westway Merkuria's Washington lawyers as the lawyers are with them, said surveys in Jordan show no immediate need for rice there. "The problem is one of delivery" to the refugee camps, not shortages, one official said.

Further, agricultural officials said the specifications set by the Agency for International Development, which administers food-aid programs, called for bagged rice. Westway Merkuria's rice is in bulk.

One irked official noted that another trading company caught in the same bind as Westway Merkuria simply unloaded its ship and sold the commodities elsewhere without hiring Washington law firms or asking the government for help.