

# William J. Clinton Presidential History Project

# **Briefing Materials**

**Peter Knight** 

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#### PETER KNIGHT NEWS TIMELINE

Prepared by Rachel Pierce; Revised by Bryan Craig Miller Center, University of Virginia, 05/13/2010

- 1975 Peter Knight serves as administrative assistant to Rep. Torbert Macdonald (DMA). (*PR Newswire*, 06/10/1997)
- 1977 Knight begins to serve as Rep. Al Gore's (D-TN) chief of staff. (*The Wall Street Journal*, 06/18/1996; *The American Prospect*, 07/1999)
- With Knight's help, Gore wins election to the U.S. Senate. Knight is retained as Gore's chief of staff. (*The Guardian*-London, 11/06/1996)
- Knight serves as chairman and national finance director for Gore's aborted campaign for the presidency, raising "significant sums." Gore wins five Super Tuesday states, but withdraws after the New York primary. However, Gore amasses substantial amounts of debt in the process. In response, he and Knight create the "40-40 Club," an ultimately successful plan to convince forty people to contribute \$40,000 each to pay down the debt. (*The Wall Street Journal*, 06/18/1996; *The Washington Post*, 04/04/1999)
- Knight leaves Gore's staff. He takes a job as general counsel for the Medici Pharmaceutical Corporation. (*Inside Politics*, 06/1996; *PR Newswire*, 06/10/1997)
- Knight is hired as a lawyer-lobbyist at Wunder, Diefenderfer, Cannon & Thelen, a Washington law firm known for its lobbying clout on tax and communications issues. He remains at the firm until 1999. (*The Wall Street Journal*, 06/18/1996; *Business Wire*, 12/20/2001)
- Knight serves as chair of Gore's vice-presidential campaign. Knight also serves as deputy to Richard Riley, who is in charge of assembling senior agency officials who will be assigned to Clinton's Cabinet. After the election, Knight helps place hundreds of individuals in "sub-Cabinet posts" before the Clinton Administration takes office. Knight continues to advise government agencies seeking to fill high-level positions, helping him to build "a vast network of contacts" within the executive. (*The Washington Post*, 12/13/1992; *Business Week*, 03/16/1998)
- Knight becomes chief lobbyist for Molten Metal, a company that contributes both to the Democratic Party and the Clinton-Gore campaigns. (*The Washington Times*, 11/05/1997)

As a lobbyist for the Beijing 2000 Olympic Bid Committee, Knight fights against a Congressional resolution opposing the Olympics in China, given its human rights record. (Congressional Press Releases, 05/20/1996)

The Tennessee Valley Authority (TVA) hires Knight as a lobbyist. April (Presidential Press Campaign Materials, 04/04/2000)

1994 With Gore's assistance, Clinton appoints Knight to a position on the board of the Comsat Corporation, a private communications satellite company that "boosts [Knight's] stature in the telecommunications industry and as a lobbyist." (*The Washington Post*, 10/23/1995)

August On the recommendation of Knight, Federal Communications Commission (FCC) chairman Reed Hundt hires Robert A. Peck as a deputy. Peck volunteers to take over the FCC's move to the Portals Office Complex. (Business Week, 03/16/1998)

1995 Molten Metal CEO Bill Haney and Vic Gatto, Molten Metal's vice president for government affairs, pledge to Knight that they will raise \$50,000 for the Clinton-Gore re-election campaign. (Business Week, 03/16/1998)

May Knight asks Peck to meet with Franklin L. Haney, a home-state friend of Gore and major real estate developer. Haney is considering investing in the Portals project. (Business Week, 03/16/1998)

June Haney attends a fund-raising dinner, coordinated by Knight, at Gore's residence. (Business Week, 03/16/1998)

> Knight arranges for Haney to meet with General Services Agency (GSA) officials to discuss lease modifications so Haney can reportedly finance the Portals project with tax-exempt bonds. (Business Week, 03/16/1998)

Knight sets up a third meeting with Haney, this time in Hundt's office. Hundt's calendar reportedly shows Peck, Knight, and Haney in attendance. (Business Week, 03/16/1998)

The GSA formally assigns the FCC to the Portals, a move the FCC had rejected earlier in the year and was seeking independent leasing authority from Congress. (Business Week, 03/16/1998)

August

October

November

December

Peck, reportedly with Knight's help, leaves the FCC for the GSA, where he oversees all government office leasing. (*Business Week*, 03/16/1998)

#### 1996

January

The GSA and Portals developers sign a supplemental lease with terms reportedly advantageous to Haney's bond issue. The lease language stipulates the FCC as the tenant and a firm start date of July, 1997, for rental payments. On the same day, Knight bills Haney \$1 million for "legal services rendered (1994 and 1995)." (Business Week, 03/16/1998)

April

Knight is named chairman of Clinton-Gore reelection committee. *CNN* reports that "He's got a strong environmental portfolio - an important campaign issue from the White House point of view. Sources say Gore had a strong hand in his selection." (*CNN*, 04/23/1996) Knight reports that he will model campaign strategy off of Ronald Reagan's successful 1984 re-election bid and rebuts rumors that he was brought in because he was acceptable to the "two real powers behind the scene – the Dick Morris camp versus the Harold Ickes camp." (*CNN*, 06/01/1996; *The Times*-London, 05/14/1996; *The Nation*, 09/30/1996)

May

Knight compiles a number of "call sheets" for Gore's fundraising efforts. These lists later come under scrutiny in the 1997 campaign finance investigations. (*The Hotline*, 09/26/1997)

Haney contributes \$230,000 to the Democratic National Committee (DNC) and five state Democratic parties two weeks after the Portals bond sale. Haney also gives \$20,000 in Molten Metal stock to Knight's 12-year-old son, a gift later scrutinized during the 1997 campaign finance investigations, though Haney testifies that it was a gesture of friendship. Haney is eventually indicted on forty-two counts of making illegal donations to the Clinton Administration's re-election campaign. (*Business Week*, 03/16/1998; *Broadcasting & Cable*, 01/18/1999; *The Washington Post*, 10/17/1997)

June

Knight writes a memo stating that "[w]e [in the DNC] have identified five to ten individuals, whom we believe have the capability of raising significant money if properly empowered and motivated." (CNN Inside Politics, 04/02/1997)

On the 26<sup>th</sup>, Knight releases a press statement saying that the Clinton-Gore campaign committee supports the American Association of Political Consultants call for a ban on push polling. Push polling is an organized effort by campaigns to spread misinformation and rumors about other candidates. (*U.S. Newswire*, 06/26/1996)

September

Knight takes over as chief campaign consultant for the Clinton-Gore campaign following the resignation of Morris. It is discovered that Morris had a year-long relationship with a Washington-area prostitute. Rumors of tensions between Morris and Ickes circulated prior to the resignation, and journalists speculate that Morris' resignation will result in increasingly liberal campaign themes as Ickes is allowed greater control over the campaign. (*Insight on the News*, 09/30/1996)

October

The Clinton-Gore campaign runs a gun control advertisement that includes video footage of a 1981 assassination attempt on then-president Ronald Reagan. The ad is aired amidst congressional debate over the Brady Bill, a gun control bill named after and promoted by Reagan's former press secretary Bill Brady, who was shot during the attempt on Reagan's life. Nancy Reagan requests that the Clinton campaign cease airing the ad. The campaign initially refuses to withdraw the ad, but stops airing it at the end of October. (*United Press International*, 10/23/1996)

November

On the 5<sup>th</sup>, Clinton and Gore win reelection with almost 50 percent of the vote. The Democrats pick up nine seats in the House of Representatives and lose two seats in the Senate. Responding to questions about Gore's role in the Administration, Knight states that "Clinton has allowed Gore to be a partner in ways that have not been truly apparent in other presidencies." (*The Christian Science Monitor*, 10/08/1996, 11/07/1996)

On the 12<sup>th</sup>, *The Wall Street Journal* reports that the Clinton campaign received donations from a number of Swiss banks currently entangled in "controversy" over World War II gold. Knight says he is "at pains" to explain how 3 metric tons of gold bars ended up in the basement of Democratic headquarters but is "sure there is some simple explanation." (*U.S. News & World Report*, 11/18/1996)

December

The Washington Times reports Knight is being considered for the chairmanship of the DNC. (The Washington Times, 12/08/1996)

1997

Oklahoma's Cheyenne-Arapaho Indians, who donated \$107,000 to the DNC for the 1996 campaign, hire Knight's lobbying firm to represent them in Washington. The leaders of the tribe later report that the Clinton Administration has treated them in an exploitative manner such as not granting them the land they requested, though the accusations are disputed by lobbyists and members of the Democratic Party. (*The Guardian*-London, 03/11/1997)

**February** 

On the 12<sup>th</sup>, the DNC is accused of accepting campaign contributions from the Chinese government. (*Congressional Quarterly Weekly*, 02/15/1997)

March

On the 11<sup>th</sup>, the U.S. Senate approves an investigation into possible campaign finance abuses of the Clinton Administration and other members of Congress. (*1997 Congressional Quarterly Almanac*, Washington, D.C.: Congressional Quarterly, Inc., 1998, p. 1-20)

April

The White House releases memos revealing that Clinton orchestrated DNC fundraising during 1996 and was involved in planning as early as 1993. A Justice Department campaign finance task force opens a grand jury investigation. (*The Washington Post*, 04/03/1997)

July

Senator Fred Thompson (R-TN) initiates hearings on the Clinton Administration's potential campaign finance abuses, including Gore's appearance at a Buddhist temple fundraising event and soliciting funds from his White House office. Initially, the hearings focus on possible links to the Chinese government, but primarily reveal suspicious fundraising links with Chinese business interests. (*The New York Times*, 09/06/1997; 1997 Congressional Quarterly Almanac, p. 120)

August

The Senate issues Knight a subpoena amidst allegations that the Democratic Party rewarded big donors with stays in the White House's Lincoln bedroom and special consideration for government contracts. (*CNNFN*, 08/07/1997)

September

The Senate hearings focus more on Gore when the Justice Department uncovers evidence that "soft money" raised by Gore ended up in the "hard money" coffers of the DNC. (*The Washington Times*, 09/13/1997)

October

On the 3<sup>rd</sup>, the Justice Department concludes that the Clinton Administration did not violate any laws in their fundraising efforts during the 1996 election, effectively ending "Chinagate." (1997 Congressional Quarterly Almanac, p. 123)

November

On the 5<sup>th</sup>, the House begins hearings on potential fundraising abuses by Knight during the re-election campaign. (*The Boston Globe*, 11/05/1997)

On the 10<sup>th</sup>, *Time* reports that the campaign investigation will focus on Knight as he is scheduled to testify before the House Commerce Committee later in the week. The magazine mentions the \$1 million payment that Knight received from Haney for work relating to the FCC and the Portals lease agreement and a check for \$200,000 from Haney to the DNC in 1996. (*Time*, 11/10/1997)

As the hearings continue, press coverage increasingly focuses on the partisanship of the proceedings, as Democrats accuse Republicans of using the hearings to attack the Democratic Party. Democrats claim that Republicans are failing to investigate fellow GOP members of potential

wrongdoing, and are "subjecting" Democratic witnesses to unnecessary "repetitive questioning." (*The Washington Times*, 11/08/1997)

December

On the 3<sup>rd</sup>, Molten Metal files for bankruptcy. It is reported that the company contributed \$57,500 to the DNC, raised \$50,000 for the Clinton re-election campaign, made \$15,000 in personal contributions to the Clinton-Gore '96 primary committee, and gave \$5,000 to the Democratic Congressional Campaign Committee. Thereafter, the company reportedly received more than \$30 million in federal contracts during which time Knight was their chief lobbyist. (*The Washington Post*, 12/04/1997)

#### 1998

September

Knight turns down an appointment to the DNC, a post also declined by Clinton fund-raiser Terry McAuliffe. The DNC is reportedly concerned with the mounting funds of Republican presidential opponent George W. Bush. (*The Philadelphia Inquirer*, 09/16/1999)

On the 5<sup>th</sup>, Knight testifies in the House's Oversight Subcommittee hearings on the FCC and the Portals office building. House members are concerned about whether political influence is involved. Knight says that he recommended to Hundt that the FCC hire Peck, then a Senate aide. He also states he was retained by Haney in 1995 for three years and the \$1 million fee was "to advise him in undertaking business projects in the Nation's Capitol... of which the Portals was one." Knight responds the fee was not contingent upon the FCC's moving to the Portals and repeatedly denies that he ever attempted to use political influence in the Portals case. (*Washington Telecom Newswire*, 09/15/1998)

November

*Time* reporter Karen Tumulty reports increased fighting over who will run Gore's 2000 presidential campaign, specifically noting that "competition [is] particularly intense between former top aides Jack Quinn and Peter Knight." (*Time*, 11/30/1998)

December

The House Commerce Committee writes to Attorney General Janet Reno requesting that she open a new investigation into potential campaign finance abuses made by the Clinton-Gore team. The request includes Haney's payment to Knight, which the committee's report characterizes as an "unlawful contingency fee for his assistance in securing key amendments to the GSA-Portals lease, as well as for his successful efforts to gain the FCC's cooperation in relocating to that site." (*The White House Bulletin*, 12/16/1998)

January

On the 1<sup>st</sup>, Gore officially announces that he will run for the Democratic nomination for president. Knight will oversee fund-raising. *The Washington Post* reports that "[a]lready, longtime adviser Peter Knight has drafted a fund-raising blueprint similar to the model that helped the Clinton-Gore campaign raise more than \$26 million in 1995." (*The Washington Post*, 01/01/1999)

Knight declines another appointment to the DNC. (*The New York Times*, 01/09/2000)

On the 15<sup>th</sup>, the Justice Department reports that it has found no evidence against Knight in its investigations of potential campaign-finance abuses and states that it will not pursue further inquiries made by Republicans on the House Commerce Committee. (*The Wall Street Journal*, 01/15/1999; *The New York Times*, 01/15/1999)

May

Gore names Tony Coelho as campaign manager. *Newsweek* says as Coelho has "...moved to take control of a campaign hampered by multiple power centers, he forced longtime Gore lieutenants like Ron Klain and Peter Knight to the sidelines." (*Newsweek*, 05/15/2000)

August

Klain quits the campaign, a move widely perceived as a reaction to frustrations with Coelho. The resignation is viewed as a "move sure to increase Democratic uneasiness about tension within Gore's inner circle." *The New York Times* speculates that Klain prefers policymaking to campaigning. Additionally, Klain is said to be displeased with Gore's attempts to distance himself from Clinton in the wake of the Monica Lewinsky scandal, despite Gore's attempts to connect his campaign with the Clinton Administration's policy successes. (*The New York Times*, 08/03/1999)

September

The Gore campaign reaches out to environmentalists, in response to Friends of the Earth's endorsement of rival Democratic primary candidate Bill Bradley. Initially, Knight sponsors a fund-raiser, but due to scheduling, Coelho takes over. *The Washington Post* reports that the Gore staff "is internally divided about how much to trumpet his environmental credentials, with some advisers fearful that he will be tarred as antibusiness and too liberal, while others say he cannot abandon his long-standing views and will in fact attract voters because of his stance on the environment." (*The Washington Post*, 09/24/1999)

Gore moves his campaign headquarters from K Street to Nashville in an attempt to distance the campaign from allegations of ties to lobbyists. While still representing corporations such as Bell Atlantic, Lockheed

Martin, and Leap Wireless, Knight avows that he will disband his lobbying firm at the end of the year, in order to participate more fully in Gore's presidential run. (*The New York Times*, 10/31/1999)

#### 2000

March Gore begins to move staff from his vice president's office to his

campaign staff. Knight is reported to move to the DNC. (Associated

Press Online, 03/25/2000)

May Knight is rumored to be Gore's potential secretary of commerce. (The

*Kiplinger Report*, 05/12/2000)

June Responding to his increasingly frequent epileptic seizures and problems

with an inflamed colon, Coelho steps down. Commerce Secretary William Daley takes his place. *The Washington Post*'s reports it is a reflection of a dissension among staff and an inconsistent message. Coelho "has been a controversial figure who quickly made his mark on the campaign by ousting several high-paid Gore loyalists." (*The* 

*Washington Post*, 06/16/2000)

July Daley officially becomes Gore's campaign manager and brings back a number of previous campaign members, including Klain. (USA Today,

07/13/2000)

August On the 8<sup>th</sup>, Gore selects Senator Joseph Lieberman (D-CT) as his vice

presidential running mate, making Lieberman the first Jewish vice presidential candidate in U.S. history. (*The Washington Post*, 08/10/2000) Recently appointed deputy chairman of the DNC, Knight pursues his strategy of increasing fundraising in midsize states, noting that "Every little bit helps... The political benefits are also very compelling."

(National Journal, 08/19/2000)

November Knight travels to Nashville to ask the DNC to raise \$3 million for

the Gore campaign's operations during the Florida recount. (National Public Radio, 11/14/2000; Associated Press State &

Local Wire, 11/09/2000)

2002 Metropolitan West (MetWest) Financial hires Knight as managing

director, shortly after MetWest appoints Gore as its vice chairman.

(Business Wire, 12/20/2001)

2004 Knight participates in Gore's newly-founded Generation Investment Management (GIM), a private partnership asset firm dedicated to

assisting companies that "take a responsible stance on, and manage the

risk associated with, issues such as climate change." Knight operates as president of GIM in the U.S. (*Funds International*, 11/30/2004)

2007

May

Knight hosts a gathering of Gore's closest associates. Held at Knight's home, the dinner is in celebration of the 20th anniversary of Gore's 1988 White House campaign. Knight states that "We're not putting the old band back together. And most of the gang are playing in other bands already." (*The Hotline*, 05/02/2007)

#### PETER KNIGHT SUGGESTED TOPICS

Prepared by Rachel Pierce Miller Center, University of Virginia, 05/14/2010

#### **Background Information**

- You became friends with Al Gore in the late 1960s. What were the origins of your relationship with Gore? What were your initial impressions of him?
- You worked for several years as Al Gore's administrative assistant, both within the House and the Senate. What were the parameters of your job? What legislative focuses has Gore retained an attachment to throughout his career in government?
- You began your tenure on Gore's staff in the House and followed him to the Senate in 1984. Was there continuity in Gore's legislative focus during this period, despite the change of venue? What were Gore's political aspirations at this time?

#### Presidential Campaigns

- The House initiated hearings over potentially illegal campaign finance activities during the Clinton Administration's second term. How did Clinton and Gore deal with these accusations? Did they differ in their approach to solutions? How did Gore's focus on a presidential run of his own affect the administration's approach to the campaign finance issue?
- You switched back and forth between a position on staff within Gore's office and positions within campaign staffs during each election. How did the staffs interact with one another? How did Gore want his two sets of staff to work, and how did he facilitate inter-staff cooperation? Did your staff role change due to your visibility during the campaign finance hearings in 1998?
- How does working on a vice-presidential campaign differ from working on a presidential campaign? How are they alike? Discuss how your role changed from campaign to campaign.
- How and why did Gore make the decision to run for the presidency in 1988? What role did you have in that decision-making process? How did running Gore's 1988 presidential campaign differ from running Gore's 2000 campaign? How did you role in each of those campaigns differ?
- There were numerous campaign staff changes during both the primary and general elections in 1996 and 2000. Reporters posited that tensions existed between some individuals; journalists observed tensions between Dick Morris and Harold Ickes in 1996 and Ron Klain and Tony Coelho during the 2000 campaign. In both instances, they suggested that the campaign was overstaffed with high-level advisors, one of whom was you. Did you observe tensions between advisors on the Gore team? How did the campaigns deal with the staffing changes? What role did Gore have in mediating between members of his extensive staff?
- Do you consider Gore to be an adept campaigner? How would you characterize his campaign style? Compare and contrast the approaches of Clinton and Gore to their presidential campaigns.

- Describe the major issues and events of the 2000 general election campaign. How did Gore respond to the challenges of the campaign? Had his approach to campaigning changed since 1988? How?
- Describe the relationship between Clinton and Gore during the 2000 presidential campaign. Did their relationship change as the campaign progressed? What were the similarities and differences between their relationship during the 1996 re-election campaign and Gore's 2000 presidential run? Did Hillary Clinton's 2000 run for the Senate affect Clinton's approach to Gore's presidential run? How did Gore's own family factor into his decision-making during the campaign?
- How did the Gore campaign balance distancing itself from the Clinton administration while also employing successes of that administration?
- What was Gore's approach to the Florida recount? How did he deal with the uncertainty of the election?

# Retrospective:

- Gore was portrayed as one of the more involved and influential vice-presidencies in American history. How would you characterize his role in the Clinton Administration? What areas do you think Gore was most involved in?
- Assess the strengths and weaknesses of the Gore vice-presidency. What features of the Gore vice presidency were overlooked or misunderstood by the press?
- How should the Gore vice presidency be viewed in history? What were its most significant achievements? How did Gore's unsuccessful 2000 campaign for the presidency affect his vice presidential legacy?
- Assess Gore's legacy for the Democratic Party. How did the rest of his party view his vice presidency? How will his presidential runs be viewed?
- Compare Gore's leadership style with the other prominent Democratic leaders you have known in your career. What kind of a politician is Gore?

#### **TIMELINES**

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## 2000 Presidential Campaign

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