

PRIMARILY, WARNER'S FLUSH

SPECIAL INTERESTS BANKROLL SENATOR'S CAMPAIGN

Peter Baker Washington Post Staff Writer May 31, 1996; Page A1

RICHMOND

MAY 30 -- A few months ago, Florida sugar mogul Jose "Pepe" Fanjul, his wife, his son, his daughter, two brothers, two sisters-in-law, two of his company's executives and its political action committee had the same idea on the same day. Out came the checkbooks, and just like that, Sen. John W. Warner's campaign treasury had swelled by \$18,500.

There's no mystery why the Fanjuls, a wealthy family of Cuban exiles in Florida, would care about the Republican senator from Virginia. Just last year, Warner joined the Agriculture Committee, which oversees the sugar price-support program under assault on Capitol Hill, a program worth at least \$65 million a year to the Fanjuls' firm, Flo-Sun Sugar Co.

The Fanjuls aren't the only well-heeled special interest rushing to Warner's defense in his war with state Republican leaders who are backing his more conservative challenger, James C. Miller III, in the June 11 Republican primary.

Campaign finance reports show that defense contractors, bankers, real estate developers, oil companies, airlines and others whose businesses often intertwine with congressional actions have sent hundreds of thousands of dollars to Warner's campaign account. Warner has collected \$2.5 million so far, to Miller's \$1 million, according to the latest reports, filed today. The disparity is an indication that, for all of Warner's recent troubles with rank-and-file Republicans who won't forgive him for rejecting Oliver L. North's Senate campaign two years ago, partisan loyalty and ideological purity don't seem to matter much on Main Street or Wall Street.

"That's reality -- PACs give to incumbents," said Ellen Miller, executive director of the Center for Responsive Politics, which tracks campaign finance. "That's the name of the game. They know them. They're a known commodity. Challengers scare them." Warner's financial strength has proved to be his most important asset, making him a far tougher target for conservatives than they expected. Just last year, foes thought they could suppress his fund-raising, perhaps enough to persuade the 69-year-old Warner to retire.

Warner's huge fund-raising edge has fueled a formidable advertising campaign. Miller, by comparison, began airing his first radio ad only this week, and even if he does go on television, he doesn't have enough cash for more than a token buy.

"If Jim Miller had some more money, he might have more traction," said Mark Goodin, a consultant who worked for North's campaign in 1994. "The only way a guy like Miller knocks {Warner} off is with an ample war chest to go on TV."

Today's reports did contain some hope for Miller, showing that his fund-raising is picking up pace as the primary nears. But the \$321,319 that Miller brought in from April 1 to May 22 still fell short of Warner's \$418,176, and Miller had only \$180,156 on hand, compared with the senator's \$340,319.

Finance reports indicate that about 31 percent of the senator's contributions have come from PACs, compared with 1 percent for Miller. Even among his fellow senators, Warner's reliance on special interests has been heavy; in 1994, winning Senate candidates typically counted on PACs for 22 percent of their receipts. Warner, who in his third term has 18 years of seniority and is next in line to take over the Armed Services Committee, is a magnet for major industrial donors. Among the company PACs that have chipped in are those of McDonnell Douglas, Lockheed Martin, General Dynamics, Northrop Grumman, Electronic Data Systems, Walt Disney Co., United Airlines, AT&T, Texaco and Crestar Financial. One of his best friends has been Newport News Shipbuilding and Drydock Co., the state's largest private employer and a company that benefits greatly from Warner's ability to steer Navy contracts its way. While federal law limits individual contributions to \$2,000, executives at Newport News and its parent company, Tenneco Inc., had bundled roughly 20 gifts worth at least \$23,500 as of March 31.

"Being a {former} secretary of the Navy, he understands specifically what needs to be done and who to go to," said Newport News President William P. Fricks, who gave a March reception for Warner.

To these executives, the vagaries of Virginia's political squabbling are just static.

"We are not involved in state politics . . . ," said Robert O'Brien, a McDonnell Douglas spokesman. "We're looking at what his legislative agenda and . . . positions have been on issues that we've cared about." Warner's position on sugar never became so important as when he took a seat on the Agriculture Committee last year after the Republican takeover of Congress.

The federal price-support system, which costs consumers an estimated \$1.4 billion a year, is intended to protect domestic growers against cut-rate foreign competition.

The Fanjul family and Flo-Sun, who are dominant players in the Florida market, are practiced in national politics, as well. From 1979 to 1994, the Fanjuls, their corporations and executives poured \$2.6 million into political candidacies and committees, according to the Center for Responsive Politics.

"Mr. Fanjul would tell you that {Warner} has been very good on economic policy and obviously has tried to be supportive of American agriculture," said Flo-Sun Vice President Jorge A. Dominicis.

Warner's other contributors in the industry include the American Crystal Sugar PAC, the Florida Sugar Cane PAC, the American Sugar Beet Growers PAC and the American Sugar Cane League PAC.

"They need to keep the price support going," said John Kabler, of Clean Water Action.
"They just feed members of Congress, and particularly the ones who sit on the right committees, with money all the time."

Cutline: A BUNDLE OF MONEY

Sen. John W. Warner has collected hundreds of thousands of dollars

from special interests to finance a high-priced media campaign. Here is

how one powerful Florida sugar tycoon bundled \$18,500 in gifts to

Warner, who sits on the panel that oversees federal sugar price support

program:

Jose "Pepe" Fanjul \$2,000

Emilia M. Fanjul (wife) 2,000

Emilia H. Fanjul (daughter) 1,000

Jose "Pepe" Fanjul Jr. (son) 1,000

Alexander L. Fanjul (brother) 2,000

Nicole Fanjul (sister-in-law) 2,000

Andres B. Fanjul (brother) 2,000

Cathie Fanjul (sister-in-law) 2,000

Oscar R. Hernandez (company executive) 2,000

Jose F. Valdivia Jr. (company executive) 2,000

Flo-Sun Political Action Committee 500

TOTAL \$18,500

SOURCE: Federal Election Commission records

SEN. JOHN W. WARNER

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