

*Steve Silver:* We are talking with Mr. Phil Peter for the Bryce Harlow Oral History Project. Mr. Peter, thank you for you joining us and talking about Bryce Harlow.

*Phil Peter:* I'm delighted to be here. I am an emeritus member of the Harlow Foundation Board. And I'm very proud and pleased to be part of this oral history project for Bryce Harlow. We need to keep the memory of Bryce alive for this and future generations of Washington representatives, so they can know he was Mr. Integrity and that he was the role model for how to be a truly effective Washington representative.

My exposure to Bryce began in 1976, when I came to Washington to run General Electric's government relation's office. Since GE's chief executive officer, Reg Jones, was head of the Business Roundtable's tax committee, I went on the point in Washington for the Roundtable companies' Washington offices for all of the tax matters. And the Roundtable was made up of the Fortune 100 CEO companies, and included Procter & Gamble, Bryce's company. Immediately, the old hands in Washington and the corporate offices quickly brought me up to speed on Bryce Harlow, who he was and what he meant to the lobbying profession; that he was the role model for Washington reps for integrity and for ethics. And at the Roundtable tax meetings, which I chaired, Bryce was often there, always offering very sage advice. It was abundantly clear that Bryce was all that his admirers and his reputation said that he would be.

As part of honoring Bryce and preserving his legacy, the Bryce Harlow Foundation was formed and the first Bryce Harlow dinner was on June 3<sup>rd</sup>, 1981. Emmett Hines of Armstrong World Industries; Clyde Wheeler of Sun Oil; and Bill White, formerly with US Steel, spoke about Bryce and three of his decades in Washington. I was asked to cover the 1980's as the representative of the new breed of Washington reps. I still have a set of my notes for that evening and my comments were as follows:

*Steve Silver:* Sure.

*Phil Peter:* "Well, ladies and gentlemen, Bryce has been responsible for many things that have happened to me since I came to Washington, including making me the caboose of the guest speakers tonight. Normally being last is not a happy assignment, but I'm delighted and honored to be here as the spokesman for the current generation of Washington representatives.

Before touching on the legacy Bryce has left us, let's return for a moment to those thrilling days of yesteryear to the unmasked marvel of the White House, Bryce Harlow. The time is 1973 and Bryce is leaving the White House for the last time to join Procter & Gamble. When asked why he had left his Cabinet rank position, Bryce said, 'Well, I just lost my head.' As usual, his fine sense of humor was right on target. He was the only person of Cabinet rank in the White House with his own bathroom and he had to leave it behind to Henry Kissinger.

But Bryce has left other and more important things behind. He has left a standard of excellence and prestige for all of us. He was truly the rising tide that lifted all of our boats. The lessons learned that he has imparted to each of us really describe the man we honor tonight. Namely, always do your homework on an issue. Tailor your strategy and tactics to the facts of that issue. Have your relationships on the Hill and with the administration in place. Get to the key administration officials and swing votes early on. Follow up with them, both in Washington and at the grassroots level. Do all of this in a straightforward way that is in the public interest. And always keep your word, because that goes to your integrity and credibility.

Bryce always adhered to these basics and they have more than stood the test of time since they are the basics you and I use in this very current and exciting area for Washington representatives. The high reputation and status that Washington reps currently enjoy are directly traceable to Bryce. And we are truly grateful to him for his leadership, wisdom and humor and for the inheritance that he has left us. An inheritance that is the most valuable that can be left to anyone, namely a code of conduct that is effective and honest. Bryce, many thanks for this legacy. We are indebted to you for it. Godspeed and much happiness to you and Betty." Well —

*Steve Silver:* Those were the remarks from the —

*Phil Peter:* Those were the remarks —

*Steve Silver:* 1981, okay.

*Phil Peter:* And as you know, those comments are as true and as current today as they were on that June evening at the Capital Hilton Hotel twenty-four years ago. It was an honor knowing Bryce and to serve on the board of the Harlow Foundation, including being the dinner chairman one year and serving as the president of the Foundation for several years. And currently, as I mentioned, I am

an emeritus member of the board. Bryce will always remain in my memories as one of the great leaders and role models of the Washington scene.

And it has been my privilege to have worked this Washington scene for twenty-nine years, eighteen as the head of General Electric's Washington office and eleven and a half years now as head of the federal government relations group for the Reed Smith Law Firm. During those twenty-nine plus years, the tenets that Bryce stood for have provided a road map for how to work and conduct yourself on the Washington scene.

This oral history project by those who knew Bryce will help do the same for the current and future generations of Washington reps, so I salute Bryce for all that he has meant and he means to the Washington rep community. And once again, I am grateful to be part of this oral history project.

*Steve Silver:*

Very nice statement. That covers a lot about why we're doing this project. So thank you for preparing that and for contributing that. Let's talk a little bit about corporate representation in general, since that's a theme we're trying to accomplish. Why don't you tell us as a former and current member of the representation community. What exactly is involved in the job, just for people that are less familiar?

*Phil Peter:*

You know, lobbying is really marketing. And when I was running the General Electric office, one of the things that I knew we had to improve on – expand on – was the grassroots coverage by plant managers in General Electric who would be assigned to develop a relationship with their congressman or senator.

And when I would talk with them, they would say, "Geez, Phil, we don't know anything about working the Washington scene." And I would tell them what I just indicated, that hey, all you guys know how to market to sell a product, but what we're doing here normally is selling an idea, rather than a piece of hardware. Sometimes a piece of hardware, but it could be a cut in a corporate tax rate. It could be product liability reform, it could be many things.

But the techniques that you use are really the same as selling a piece of hardware. One of the things that is really interesting about an assignment in Washington is that your customers, so to speak, are the people who are on the nightly news. And so it is hard to talk about it without sounding like a name dropper. But like any

job, you've got to know your customers. So our customers are the congressmen and senators, White House officials and even up to the president.

What you do in this job is, like any job if you're doing it right, you've got to go back to the basics. You've got to do your homework. What you want to do is sense what is coming on the Washington scene and make sure that there are no surprises. So many things get put into the hopper here, which you've got to prioritize, of course. Once you've decided what your priorities are, then you've got to develop the company's position on the issues. And with a company that was as diverse as GE, sometimes the hammering out of the company position with the CEO was as tough as getting the position done on the Hill.

When I came to Washington, the General Electric CEO was Reg Jones – voted by his peers as the top U.S. businessman. And he said, “You know, what goes on in Washington is more important, in so far as the impact on General Electric, and of course this would be true for all business, then almost anything else.” And he said whoever I put down in that office, I'll spend more time with him than anybody in the company, including the vice chairman. And that was the case. It was a great time working with him.

And then Jack Welsh came in. And when Jack came in, Jack and I had known each other along the way and he knew how closely I worked with Reg. Jack's first year plus in GE, he took out over a hundred thousand people in General Electric. That was when we had to get ahead of the curve to reduce costs and Jack got his nickname of Neutron Jack. He would visit a location and the buildings would remain, but the people wouldn't.

*Steve Silver:* Would disappear?

*Phil Peter:* But Jack was, of course, putting his own team together. And he flew down a month after he was in office and we had lunch at the Prime Rib. And the way that conversation went was just the way I'll relay it now. He said, “Phil, I'm not going to work this Washington scene the way Reg did.” He says, “I'm going to give you all the resources you need.” He said, “You're going to be the chairman for us on all the external affairs. You'll have the resources. Get the job done. Don't lose.” Every Friday I would send him a one-sheeter in bullet form. It would tell the issues that we were working on – a sentence or two as to where it stood. And usually there was silence. But if something was on his mind, he would call.

And I'd been working with Jack for about a month when one of the vice-chairmen called and said, "Phil, do you realize that three times in the last two weeks you've told the chairman he was wrong?" And I said, "I never did that. He asked for my opinion and I gave it to him."

And here is where I would relay all this back to Bryce, because all of this surrounds Bryce. You've got to stand tall, you've got to be your own man and you've got to call them as you see them. This is particularly true as you deal with members of Congress and with the White House. When you go in, you've always got to remember pressures that are on them from other constituents, or I should say varied interests, that they are sorting out. So, in addition to telling your story, if there are sides of our story that may not be so favorable, you've got to get them on the table; always better to deliver the bad news yourself and to make sure that the member is not surprised.

And part of what you do is not only to represent your own company and keep it safe on the Washington scene, but you've got to protect the members of Congress and the officials of the White House. Because there are some tricky things that can happen in Washington and if you follow Bryce's tenets of integrity and ethics, you can weave through this Washington scene, have a wonderful time doing it, and participate in some of the really thrilling issues that impact the country and the world.

I always analogized working down here to like fishing in the Gulf Stream. There was something big and different that was going to come up everyday and grab your hook and it always worked out that if you adhered to the basics of ethics and integrity, doing your homework, telling it the way it is, that things usually worked out pretty well.

*Steve Silver:*

Did Bryce ever talk to you about the differences between lobbying for the legislative – lobbying for Congress versus lobbying for the White House? Are there any differences when you lobby within different agencies and branches of the federal government?

*Phil Peter:*

There are differences in so far as the leverage, if you will, that you can get on a member of Congress. And I say leverage in the, in the best sense of the word. As compared with lobbying in one of the agencies, because when you are lobbying a member on the Hill, what I would always do is wrap the story around a constituent interest of his. If it was somebody from Minnesota, I'd have our

plant manager from Minnesota involved. And I would also look to see what the impact was, particularly on jobs and opportunities in that particular state or in that congressional district.

I remember that one of the issues that was very important in General Electric was funding for the Export-Import Bank. And the charge was that it was really helping only seven or eight big companies, including General Electric. And I said we've got to show that this, that funding by the EXIM Bank really is important, because it covers all of the suppliers to the big companies. And these suppliers are small businesses, many of them mom and pop stores. So we broke them down by congressional district, by state, and when I would go in to see the members, some of them would say, "Geez, Phil, it looks like you've got my next neighbor here." Well, this was a very effective way to handle things.

And now let's contrast that with the agencies and, in the White House, where, with the White House it's a little easier because you can talk to the impact on the country and jobs. In the agencies, there isn't really a constituent interest, per se, that you can raise with them. I mean you're always talking about the merits of what you're doing, but it's harder politically to get suasion on the bureaucrat in the agency than say a staffer for one of the members or the member himself because of the lack of the constituent presence with the bureaucrat.

*Steve Silver:*

Why did so many corporations at the time, and I mean 60's and 70's, feel they needed representation in Washington? Was it a reaction to anything in particular, or was it just things become a little more complicated?

*Phil Peter:*

I think that the business leaders got more sophisticated in, and broader in their views of what really impacted their business. Let's go back to Reg Jones again, where he would say what happened in Washington had more impact on the lower right hand corner of General Electric's profit and loss statement than his sitting in the CEO's office and helping design the next refrigerator out of Louisville. Reg Jones would stand up at the GE officer's meetings and say Phil Peter (and Jack Welch would do the same thing) vis running a business in Washington and we need you guys to fully support and work with it. Welch refined this because he would have the business leaders in General Electric have a report card on the corporate staff officers.

And as the vice president of corporate government relations in GE, that's what I was, a corporate staff officer. And they would rate

the corporate staff officers by how they were doing in supporting the businesses and bringing the bacon home, so to speak. And this is a very good way to do it. I mean what happens in Washington has a huge impact on a company's business and if done right, can really have a very beneficial impact on the company.

During the tax battles in the 1980's, there were Washington reps who would kiddingly say that GE was using the tax code like a product line. And the 1986 tax simplification bill, in some quarters, was the "get General Electric" tax bill, because GE had not paid federal income taxes for three or four years, all very legal and above board, which, of course, again goes back to Bryce ---the only way you can operate. But GE had been using the investment tax credit of companies that were not making profits.

Under safe harbor leasing you could acquire those tax credits and use them yourself and that would enable you to zero out the taxes. All of this culminated in the removal of the safe harbor leasing, which GE itself finally said hey, we'll help the government and we lobbied hard and were part of the removal of it. But there was tremendous impact by Washington on a company's business and this is why, I think in the 60's and 70's, Washington reps grew so much.

*Steve Silver:*

You mentioned earlier how you saw yourself as part of the new breed of Washington reps. How was Bryce with the new breed of Washington reps? Did he take on a mentoring role?

*Phil Peter:*

Bryce was the supportive, helpful mentor to all the Washington reps who came to him. And practically, I would say to a man, everyone did. I can remember on those tax meetings with the Roundtable, Bryce would talk with me after the meetings and I was always pleased when Bryce was pleased. That he would say, yeah, you covered all the bases. I mean this was very helpful for a new guy on the Washington scene. I was lucky because I inherited a winning team, a large team at GE and of course, they pumped a lot of stuff into me, but even cumulatively you had to say Bryce Harlow more than held his own with anyone. And his advice was always at the top of the list. But he – he helped everyone, certainly, including me.

*Steve Silver:*

In the, let's see, did you ever find your, you mentioned a lot of the tax battles you worked on. Did you find yourself working ever on the same side, I'm sorry. Not on the same side, on the same issue with Bryce Harlow in terms of what he was doing at Procter?

*Phil Peter:* It was really on these tax issues and also on the product liability reform. Emmett Hines and Bryce were always close. And Emmett was on the point early on, as I recall it, on the product liability reform issue, a very tough issue, which we worked year after year at GE, and even this year. This is almost like a career issue. There are aspects of it that are, are still being worked on and debated on the Hill. But I never was on the opposite side, which I'm pleased to say, of an issue that Bryce cared about. And I think it's because through the Business Roundtable, the CEO's really talked through their issues and arrived at a position that the Roundtable companies, including Procter & Gamble, and certainly General Electric, could agree upon and embrace and work on together.

*Steve Silver:* You're obviously still very involved in Washington corporate representation and you knew Bryce. But there's a lot of people nowadays – here we are thirty years later – that have never met Bryce. Can you talk about what some of the younger people, the post-Bryce Harlow era, do they still think about him? Do they realize his contributions; are they aware?

*Phil Peter:* I think this is a continuing opportunity and challenge, and one that I'm delighted the Harlow Foundation has taken on, to keep alive and foster the understanding and knowledge of Bryce and what he meant to all of us. The Harlow dinners do this and it is true that the younger people coming to town certainly didn't know about Bryce Harlow. And I must say in my own case, before I came to Washington again in 1976 that since I hadn't been working at the Washington scene, even though I was broadly staying abreast of it, I hadn't really been aware of Bryce. It's when you get here, anyone who comes onto the Washington scene and stays and works it, will learn about Bryce Harlow. But this project, this oral history project is really very important to keep these fundamentals that Bryce stood for alive and as a road map for this generation and coming generations of Washington reps.

*Steve Silver:* Was Bryce Harlow very concerned about ethics within the lobbying community?

*Phil Peter:* At that time, Bryce was always concerned about ethics. At that time the problems of ethics, say with the Washington reps, wasn't as much of an issue as it is today. Certainly, ethics issues with members of Congress would come up periodically. But one thing that I think is very important on the Washington scene, and I know Bryce would say the same thing if he were here, and that is, of course, ethics is where it all begins and ends.

But in this town you've got to be there with your allies and people who have helped you on the Hill in an ethical way. But when people get in trouble here, I've noticed over the years, often a tendency is for a lot of people to run to the hills when a guy is in trouble or a person is in trouble. That's when you've got to stand tall.

There are many times when a member – I remember, for example, Senator Bob Packwood. I worked closely with Packwood on many issues. You know he eventually became chairman of the Finance Committee, where all the tax and trade issues and health issues go through. But when the first puff of smoke came up about Packwood in the Washington Post, I picked up the phone and called him and he said, "Phil, I've got to tell you," he says, "You're the first guy in this town to call me."

And I remember when Packwood resigned; I was going to a Reed Smith meeting up in Hershey, Pennsylvania. It was on a Friday afternoon. I almost pulled a u-turn and came back. But I called Packwood and that following Monday I went into his office. He walked up and gave me a big embrace, I did the same. And we sat and we talked about Washington and all of the good things about it.

But with the Washington reps, I've always felt, and I used to tell a number of the Washington reps it's only a question of time before on this ethics issue run that they're going to try to point the finger at someone in the lobbying community. And you've got to be like Caesar's wife; do it the right way and be aggressive and do all the things that it takes to try to further your cause, but do it in a way that is always legal and ethical. And that is something that is so basic, that it's hard to believe that people would not do. But on occasion there are those that don't.

*Steve Silver:*

You mentioned Senator Packwood and his problems, and of course, there was Watergate, which Bryce was not a central figure in, but he was in the Nixon White House. Can you talk about what he ever told you or just what you observed from him as far as the best way to handle a political crisis in Washington?

*Phil Peter:*

You know, with Bryce I know that if the going got tough, Bryce would be right up there in the forefront of saying you've got to get the truth out. I think one of the things that was so tough for Bryce on the Watergate issue was he was very loyal to President Nixon, as he should have been, and it wasn't until way down – when it finally came out as to what is going on, that Bryce knew what had

happened. And Bryce, I know, was part of the group, as I understand it, that spoke to President Nixon about resigning. Because that really was three years before I arrived here, but Bryce was part of the group that was advising the president to, how to handle the final wrap-up of Watergate. You've got to stand tall and if there's a mistake that's been made, you're far better off to stand tall and say hey, this is what's happened and why it's not going to happen again, and how you're going to correct it, you know.

*Steve Silver:* How has corporate representation changed since the time of Bryce Harlow versus how it is now?

*Phil Peter:* One huge change is the number of very good women lobbyists. When I was running the General Electric office, at that time Nancy Reynolds, who had been President Reagan's – well, at that time Governor Reagan's press secretary in Sacramento – she was the only woman heading a corporate office. And she ran the Bendix office. But you could count the women on one hand. Now, you can call it the new girl network. I mean the women lobbyists and the women who head up the corporate offices are perhaps as many as the men now. And this is a good development. So that has been a huge change.

Obviously the high tech world has come into lobbying too, in so far as the ability to get information to the Hill, but I believe that, once again this is like the basics that Bryce talked about or it's like Vince Lombardi's basics with the Packers, the basics in lobbying are always going to be the same. And it is one profession where a machine will never take over, because it's the individual person-to-person contact. And the longer you're doing this, the deeper and better those relationships get and the trust that grows with it. So there've been a lot of changes out there, but the basics are the same.

*Steve Silver:* This is sort of a long picture question, but you know there were no laws named after Bryce Harlow. There's no big government buildings named after Bryce Harlow. A fifty or a hundred years from now, do you think we're still going to be talking about Bryce Harlow?

*Phil Peter:* I do. And I think that this yearly dinner – I'm really excited about how the Bryce Harlow Foundation has grown and the number of projects it has taken on. I was there when we first decided to have scholarships. And at that time, the Foundation's resources were certainly less than what we now have, and we had one or two

scholars a year. I was also part of the first so-called flying faculty, where we would go around and speak at universities and talk about Bryce Harlow and what was going on in the Washington scene and that always got a great reception wherever we went. These programs have expanded. The scholarships and the number of schools we go to have expanded. This oral history project is just one of the many things that the Foundation is doing.

I predict that the foundation will have even more exciting programs than what we can see now; that this legacy of Bryce is going to carry on. And I'm proud to say, as I mentioned earlier, that I was part of the original group, that June evening twenty-four years ago. It's very vivid in my memory and as Bryce's funeral is very vivid in my memory. There wasn't a dry eye in that house. The church was overflowing. So many tributes to Bryce and he was, Bryce was small in stature, but he was a giant of a man. And for us to be sitting here today talking about his legacy is just one aspect of Bryce and how his lessons will always be there.

*Steve Silver:*

So much has been said and written, of course, about the partisanship in Washington now as opposed to what it was like back then. Do you think there is any room; do you think there's room nowadays for a Bryce Harlow in D.C.?

*Phil Peter:*

Absolutely; somebody who is trusted on both sides of the aisle; who is savvy about how to get things done, how to do it in the right way. That's a commodity, if you will, that is always in too short supply. If we could only clone Bryce and bring him back, it would be a good thing for this town. If we can't have Bryce, we can all try to live up as best we can to how he would have done it.

*Steve Silver:*

Are there people today that are present day Bryce Harlows, do you think?

*Phil Peter:*

One of the good things about Bryce was that when he went with Procter & Gamble – as I recall that was 1961 when he first went with them – there weren't that many corporate offices. Bryce would have stood out in any era. But he particularly stood out then because there were fewer people. When I came to town, there were far fewer people. The community of Washington reps was much smaller and in many ways closer because you saw each other more. Today, there are many who are outstanding Washington reps, but it is hard, and of course, a Washington rep is now honored each year along with a member at the Harlow dinners, but it is hard to say that one person stands out the way Bryce did. It's

almost like saying there was only one Babe Ruth. There was probably only one Bryce Harlow.

*Steve Silver:* As sort of a final thought, what do you think are the, out of all of the lessons and contributions of Bryce Harlow – what do you think are the most significant that people today should know?

*Phil Peter:* I think it goes back again to integrity and ethics. At a time in our country as a whole where you see not as much civility, not as much by way of manners, not as much by way of forthrightness as there should be. This is what Bryce stood for. You always knew you were getting the unvarnished truth and great advice when you dealt with Bryce. And he had had so much experience coming in and out of White Houses, handling issues for his company, that it was wonderful to be able to spend time with him and get his advice. But integrity and ethics will never grow old and they are like holding on, this may be a bit of an overstatement, it's almost like hanging onto the, the Holy Grail, particularly in today's world. It's something that needs to be followed really by everyone.

*Steve Silver:* Phil Peter, just wanted to thank you for talking to us and sharing your thoughts and anecdotes about Bryce Harlow.

*Phil Peter:* My pleasure and privilege. Thank you very much.

*Steve Silver:* Thank you.

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