

# Statement on Harper's Magazine, Moyers Journal, Silverstein's Ethics

This February, APCO gave a preliminary presentation to two men who approached us and claimed they were consultants in London representing an unnamed Lebanese client with investments in Turkmenistan. Their stated goal was to improve that country's image and establish better communication in Washington.

We first learned on June 11th via an inquiry from *The Washington Post* that one of the two people was Ken Silverstein, *Harper's Magazine's* Washington editor. He was masquerading as Kenneth Case, a businessman. He concocted a story of a company, its intention and its agenda. Silverstein's story then was published in Harper's.

It is not uncommon for service businesses as ours to participate in a first, courtesy visit but to decline to work with a potential client afterwards -- as APCO has done many times in the past. This was a first meeting, the first step of a discussion of what the "client" wanted, and whether we felt we could or should provide that. Subsequent meetings were not sought by "Mr. Case." In his article, he interpreted what he recalls was said at a single meeting -- apparently with no notes -- and made a story out of it.

In violation of recognized journalistic principles, Silverstein neither asked us for comment nor gave us an opportunity to respond to his "facts". In addition, Silverstein appeared on Bill Moyers Journal on PBS and neither he, nor representatives of the program, contacted APCO for comment. Had they asked, we would have told them these facts:

- In advance of the meeting, and to help us determine if a meeting should take place, we began our standard due diligence by contacting people in the policy community who are expert in the region to determine their view of the new government. Our due diligence gave us reason to hold a preliminary meeting to determine the legitimacy of the client.
- We then held a preliminary meeting where we told Silverstein, "Case", we would need more information before we would be comfortable moving forward, and that if we decided to proceed, we would need to register the representation with the U.S. Department of Justice in a manner fully consistent with U.S. law and regulation. This regulation requires full disclosure, whether working directly for the government or on behalf of business interests which benefit the government indirectly, contrary to Silverstein's representations.
- We ended the meeting politely and without any commitment or contractual relationship. There was never a further meeting, therefore no way for Silverstein to determine whether we would have taken the assignment.

The Moyers' and Harper's stories were done without seeking our comment. National Public Radio ran a segment on its "Talk of the Nation" show on June 19 on which APCO was asked to provide a spokesman. We did. You can hear that segment by visiting [NPR's site](#).

Silverstein's charade is a comment on his ethics not ours. He said he had to go "undercover" to get his information. Funds expended and activities conducted on behalf of governments, even through business, are filed with the U.S. Department of Justice. Other information is posted on our Web site regarding the kind of work

we do, how we do it and with whom. Therefore, Silverstein's claim that he was working in the "public interest" as the only way he could get information is as false as his story.

Silverstein suggests that we could somehow fool highly sophisticated and knowledgeable people and their organizations into assisting in our effort without full disclosure. Perhaps this is how he does business, but we would not have been able to build a credible and successful business or recruit talented, ethical staff relying on such tactics. In addition, current law **REQUIRES** disclosure of these contacts and actions.

Finally, Silverstein shows a particular lack of understanding of what these government representations are about. Part of our responsibility in conducting work on behalf of countries is to help the country's leadership understand Washington's expectations of them and encourage them to take proactive steps that show they are serious about building a better relationship. If a client does not listen or take appropriate action, we walk away.

As a global, employee-owned company our business is built on a core set of shared values and a commitment to uphold the ethical standards we believe are crucial to corporate – and personal – integrity.

## **Hear Both Sides**

National Public Radio's "Talk of the Nation" featured a segment on the *Harper's Magazine* story and asked APCO to provide a guest. B. Jay Cooper, deputy managing director of APCO's Washington, D.C., office appeared. Ken Silverstein was given the first 10 minutes or so of the segment, and then Cooper joined the show. Visit the [NPR Web site](#) to hear both sides of the story.