

## LOBBYIST CLAY JACKSON

# The new "Big Daddy"

By Sigrid Bathen



Photo by Rich Pedroncelli

**C**lay Jackson likes to quote an old adage about lobbyists — that nobody actually *chooses* to be one, that “all good lobbyists got to be lobbyists by accident.”

As California's highest-paid and arguably most powerful lobbyist, Jackson has made a science out of his accidental career, which began nearly two decades ago when he ravenously volunteered to “handle things” in the Legislature for the San Francisco law firm of his late mentor, legendary Sacramento lobbyist John P. “Packey” McFarland.

“There were five of us in the firm,” Jackson recalls of his serendipitous 1971 decision, “and we said, well, there are a lot of heavy contacts in the Legislature that are important to clients, laws are important to clients, so who wants to do this? Nobody raise their hand except me, and basically that was it.”

Jackson's lobbying firm, Jackson/Barish and Associates, in 1988 earned \$1.76 million in lobbying fees, according to the annual Lobbyists' report by the state Fair Political Practices Commission, making it the top moneymaker among California's registered lobbyists for the fourth year in a row. To nobody's surprise, Jackson expects to continue that record when the final figures are released for 1989. He figures his firm made just under \$2 million last year.

Jackson is also a partner in the old-line San Francisco law firm of Sullivan, Roche and Johnson (California Governor Hiram Johnson was a founding partner). Jackson has always

maintained a relationship with a law firm, in large measure to provide separate but “full service” to clients who might, at any given time, need legal services or lobbying. Significantly, fees for “pure” lawyering are not reportable, and services are entirely separate, although clientele is often shared.

Known principally as a lobbyist for the powerful, increasingly controversial insurance industry — which historically provides a major portion of his lobbying

fees — Jackson's clientele is extensive and varied, including his original “Packey” McFarland client, the California Hotel and Motel Association.

Physically imposing at a husky 6'6", the 47-year-old Jackson is known as a formidable, sometimes ruthless negotiator with important control over the purse strings of his clients' substantial campaign contributions. Although he bristles at the suggestion that his legendary power is economic rather than artful (among other things, he has been called the new “Big Daddy” of the California Legislature) Jackson acknowledges the importance of money in plying the lobbyist's trade.

“His clients don't hire him for his policy analysis,” says Steven Miller, director of the Insurance Consumer Action Network and a frequent Jackson rival in legislative and initiative contests. “They hire him for his clout.”

“Some lobbyists are effective because of their financial backing, and some because of their own efforts,” says William George, a lawyer and longtime principal consultant to the Assembly Finance and Insurance Committee who is now assistant chief clerk of the lower house. “Clay is somewhere in between. He does his research. He is informed. And he does have the PACs [political-action committees, which do-

---

*Sigrid Bathen teaches journalism at Sacramento State University and once was press secretary to Attorney General John Van de Kamp.*

nate money to campaigns] behind him.”

Assemblyman Patrick Johnston, a Stockton Democrat who heads the Assembly Finance and Insurance Committee, is somewhat more cautious in his assessment. “The insurance industry, along with business groups, trial lawyers and the medical profession, all are significant contributors,” says Johnston with notable understatement. “It would be fair to say those contributions add to [their] access.”

Jackson warms to any discussion of the role of campaign contributions in determining a lobbyist’s access — and hence his clout — in the legislative process. Clearly, the intellectually formidable Jackson enjoys a spirited argument.

“There are lots of things that influence legislators,” he says, smiling slightly. “Campaign contributions are one of them, and an important one of them.” He cites another adage in his collection of homilies — the one about money getting you in the front door, but not guaranteeing a front-row seat.

“It’s not an inscrutable situation,” he says. “It’s not one person or a cabal doing this — it’s all sorts of people. The people in these systems are still people; they have jobs to do and goals to accomplish. A lobbyist is nothing more, nothing less than a private politician. Like all pragmatists, they take what tools are available to them to get the job done.

“I long ago came to the conclusion that there is very little that goes on in government that isn’t a function of special interests, and there never has been.”

Listening to Jackson talk about politics and political influence is a lot like listening to a college civics lecture or the ruminations of a law school ethics teacher, which he was for many years at San Francisco Law School. As he talks, the jargon of high-stakes lobbying sometimes takes on biblical, or at least constitutional, proportions, peppered as it is with terms like “the third house” and the “11th Commandment” (“thou shalt not speak ill of another lobbyist”).

Mostly working behind the scenes, Jackson does much of his best work under pressure, and a lot depends on timing.

“Institutional governing bodies have difficulty making decisions,” Jackson says carefully, beginning another in his arsenal of civics lectures. “As a consequence, the system itself tries to develop other methods to get effective decision-making to occur. Those methods may stay in place for a year or a few years. They usually end up being attacked.”

While clearly driven by the workaholic-Type A behavior of a man at the top of a brutal, highly competitive profession, Jackson also knows how to take time out, often traveling, dropping from sight for days or even weeks during legislative recesses. His law office walls are lined with prints of historic sailing ships, reflecting his penchant for competitive sailing; he hikes and backpacks, is a member of the St. Francis Yacht Club, is on the board of the Marin Symphony and regularly attends the San Francisco Symphony and operas.

A native of Los Angeles, Jackson grew up in Orange County where his father, now retired, was an oil company electrician and his mother a police department records administrator. His father urged him to become an engineer, so he studied chemical engineering at the University of Southern California, then chose law, graduating from Hastings College of the Law in San Francisco in 1968. A bachelor and longtime resident of Mill Valley in Marin County, Jackson spends little time in Sacramento when the Legislature is not in session. When it is, he lives and breathes life in and around the Capitol.

Former and present Jackson associates speak with sometimes guarded affection — and a large measure of awe — about his style and methods. Some critics — former staff members and others, including some fellow lobbyists — re-

fuse to be quoted by name.

“I don’t think anyone in this town really knows Clay,” says Joe Barish, a former national public-affairs director for the Del Monte Corporation who has been Jackson’s lobbying partner since 1982. “He is so easy to make a caricature of — because of his size and his voice and his success ratio.”

“He is highly intelligent, and he works extremely hard,” says George Tye, vice-president for communications for the Association of California Insurance Companies, which Jackson represented for many years (Jackson recently parted company with ACIC after a long and bitter dispute over campaign strategy in the 1988 insurance initiative battles, although he continues to represent a host of insurers). “He is the absolute paradigm of a workaholic. He has the legal training, and a deep understanding of the insurance business. But his most valuable asset is his ability to strategize, to figure out what you need to do by the end of the year.”

“He really is the new ‘Big Daddy’ of the California Legislature,” observes Special Assistant Attorney General Michael Strumwasser, using the sobriquet bestowed on the late Jesse Unruh, a former Assembly speaker who later became state treasurer. Often opposing Jackson as Attorney General John Van de Kamp’s principal adviser on insurance issues, Strumwasser says Jackson faces one “conspicuous disadvantage: He represents a client [the insurance industry] who is not very popular.”

Assemblyman Lloyd Connelly, Sacramento Democrat and author of unsuccessful consumer-backed insurance-reform legislation opposed by Jackson, nonetheless praises his lobbying skill. “He can make very sophisticated arguments,” Connelly says. “He’s always very respectful. He even looks like a lobbyist.”

James Cathcart, principal consultant to the Senate Committee on Insurance, Claims and Corporations, says Jackson and his staff are “very visible, very effective.”

“Quite frankly, most of the third-house [lobbyists] stuff is real slop,” Cathcart says. “I’ve been with the Legislature for 20 years, and one thing that characterizes lobbyists is not to work too hard, to be a little lazy. He [Jackson] is not lazy. He’s very aggressive in putting his position across. He commands the respect of staff and legislators.”

**N**ot surprisingly, Jackson also has a reputation as a boss who demands much of his own staff.

“The world of the Capitol is about winning and losing,” says Larry Kurlmel, a former Jackson associate who now heads the California Bankers’ Association. “Clay is a tough taskmaster. He demands perfection. He expects a great deal. He’s a tough son-of-a-bitch, but I think the world of him.”

And there is a darker side — tales of late-night, last-minute phone calls by Jackson to staff members, ordering them to accomplish near-impossible tasks in unrealistic time frames, of having no consideration for the personal plans of families of staff members.

“When he wants something, he wants it now,” said a former staff member who asked not to be identified. “He has no regard for another person’s feelings, no consideration for personal plans or commitments.”

Obviously uncomfortable with the workaholic, slave-driver labels, Jackson defends his methods as stemming from “a great sense of responsibility to my clients.”

“These are difficult issues,” he says. “Sometimes you have to spend a lot of time working, but what are you going to do? I don’t make any demands on staff that I don’t make on myself. In politics above all things the critical essence is timeliness. What you can do today you might not be able to do tomorrow.”