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Ex-Aide Said She Drew Cuomo, as Attorney General, Into Rain Forest Case

By JOHN SCHWARTZ

Two years ago, Andrew M. Cuomo, then New York's attorney general, unexpectedly jumped into a legal fight over an issue that had little to do with the state: damage to the Amazon rain forest from oil drilling.

Mr. Cuomo, now the governor of New York, subtly threatened to investigate Chevron, which is the defendant in a multibillion-dollar lawsuit over the Amazon damage that has stretched out for nearly 18 years. Mr. Cuomo indicated that he decided to get involved because Chevron might have violated state law in its handling of the litigation.

But now, newly disclosed documents point to another factor.

"Andrew has no interest in doing this," a lobbyist for the plaintiffs, Ecuadorean villagers who live in the polluted area, wrote in an e-mail in 2009. "He is doing this for me. Because I asked."

The lobbyist, Karen Hinton, a former Cuomo aide, was paid \$10,000 a month by those representing the Ecuadoreans, in part to obtain Mr. Cuomo's vocal support, according to the records and interviews.

The plaintiffs' representatives also helped persuade the state comptroller, Thomas P. DiNapoli, to speak out against Chevron. Mr. DiNapoli has repeatedly called for Chevron to settle the suit, saying it jeopardizes the state pension fund's \$780 million investment in Chevron stock.

The e-mail and other documents emerged recently in the legal battle over the Amazon drilling. They offer a rare window into the way business is often conducted in Albany's back rooms, with well-connected lobbyists penetrating the inner circle of politicians like Mr. Cuomo and Mr. DiNapoli.

Ms. Hinton worked for Mr. Cuomo when he was housing secretary in the Clinton administration.

Ms. Hinton and her husband, Howard Glaser, who also worked for Mr. Cuomo in Washington, contacted Mr. Cuomo and his staff about Chevron, the records show.

Mr. Glaser is currently one of Governor Cuomo's most powerful aides, the director of state operations; he was in private business in 2009.

In interviews last week, Mr. Cuomo's office and Ms. Hinton played down the e-mails. They said there was nothing untoward about Mr. Cuomo's involvement in the Amazon litigation.

"The attorney general's office often seeks information from corporations after allegations of wrongdoing," Mr. Cuomo's communications director, Richard Bamberger, said. "The accusations against Chevron were widely documented for years."

For the Ecuadoreans, who are represented by Steven Donziger, a lawyer in New York, the backing was a coup.

Mr. Donziger had for years tried to win the lawsuit over the Amazon drilling. In 2009, he was pursuing a strategy of trying to enlist prominent public officials in the United States to turn up the pressure on Chevron. After Mr. Cuomo was contacted, Mr. Cuomo sent a pointed letter to Chevron in May 2009, asking whether the company had disclosed the risks of the litigation in its securities filings.

Mr. Cuomo wrote that as New York's attorney general, he had a duty to investigate "financial fraud and material misstatements." He noted that "New York State and New York City public pension funds hold substantial Chevron shares," and "many New Yorkers are also shareholders."

Mr. Donziger publicized the letter widely through the group Amazon Watch, which informed Chevron shareholders that Chevron was "the target of an official fraud investigation by the New York State attorney general." (In fact, Mr. Cuomo's office later determined that Chevron's disclosure was adequate and quietly dropped the matter.)

The plaintiffs in Ecuador have sought billions of dollars from Chevron in litigation that has been heard in courts in South America and the United States.

The case goes back to the 1970s, when Texaco was exploring oil fields with the Ecuadorean state oil company. The villagers sued in 1993, claiming Texaco had left an environmental mess that was causing illnesses. Chevron bought Texaco in 2001, after Texaco had performed a \$40 million remediation and the government released it from liability.

In February 2011, an Ecuadorean judge ordered the company to pay as much as \$18 billion, a decision that Chevron is fighting on several fronts. Chevron filed a countersuit this year contending that lawyers for the plaintiffs had fraudulently conspired to use public officials and media pressure to force Chevron to settle. A victory for Chevron in the countersuit could help the company in its appeal on the main litigation.

The records disclosed in the countersuit feature evidence that representatives for the plaintiffs discussed trading on personal connections with Mr. Cuomo to get him involved.

"Howard Glaser and Hinton working with Steven Cohen, chief of staff, to figure out what Cuomo can do: letter to New York State comptroller and Chevron," said a January 2009 memo retrieved from the computer of a member of Mr. Donziger's team.

Mr. Cohen was chief of staff to Mr. Cuomo when he was attorney general, and recently stepped down as Mr. Cuomo's chief aide in the governor's office.

Ms. Hinton said in recent interviews and e-mail exchanges that she had met with Mr. Cuomo and asked him to examine how Chevron had handled disclosures regarding the litigation. He issued the letter after two of his aides met with Ms. Hinton and Mr. Donziger. "Chevron wants to attach some kind of ulterior motive to it," Ms. Hinton said. "It seems hard to believe, but sometimes people get involved with things because they think it's the right thing to do."

She accused Chevron of publicizing the e-mails to distract from what she called the company's environmental crimes in the Amazon. Questioned about the e-mail in which she emphasized that Mr. Cuomo was "doing this for me," she said the phrase simply meant that Mr. Cuomo would not have known about the disclosure concerns if not for her.

She noted that she used the phrase in the context of an argument she was having with Mr. Donziger over the best way to release the Cuomo letter.

Ms. Hinton said her husband, Mr. Glaser, had only introduced her to Mr. Cohen, the Cuomo aide, and did not have any other role.

Mr. Donziger declined to be interviewed.

Ms. Hinton's lobbying on the Chevron case was not previously known; it appears that she was not required to register as a lobbyist in Albany. Under the state's relatively lax lobbying rules, her contacts with Mr. Cuomo and his aides did not constitute lobbying, said David Grandeau, a former

director of the state lobbying commission.

Ms. Hinton's primary responsibility in the Amazon case is public relations for the plaintiffs, and she said it would be wrong to characterize her as a lobbyist in her contacts with Mr. Cuomo and the attorney general's office.

Representatives for the plaintiffs also pressed Mr. DiNapoli to take up the Chevron case.

When Mr. DiNapoli took office in 2007 after his predecessor resigned, Mr. Donziger sent an e-mail to allies in the environmental movement, according to the court records.

"The advantage of a guy like this," Mr. Donziger wrote, "is that he is political, meaning, if we show him how he can look good going after Chevron, he might be even more likely to help us."

In a January 2009 e-mail, Mr. Donziger told an assistant to deliver a number of campaign contributions to Mr. DiNapoli, and to write one check from Mr. Donziger's personal account.

"Take checks to his office and deliver them personally," he wrote. "However, call me before u do this — I am worried this might not be a great idea."

State campaign filings show that several thousand dollars were contributed to Mr. DiNapoli's campaign at the time by Mr. Donziger and others on the plaintiffs' side.

In May 2011 Mr. Di Napoli said that the case "is looming like a hammer over shareholders' heads," and called on the company to settle it to repair its "grave reputational damage."

Last month he repeated the demand. A spokesman for Mr. DiNapoli, Eric Sumberg, said the comptroller's involvement in the case had nothing to do with lobbying or campaign contributions.

It "is directly attributable to the potential impact of a negative legal outcome that would have an economic impact on the Common Retirement Fund," Mr. Sumberg said.

Ms. Hinton pointed out that Chevron had contributed millions of dollars to political campaigns during the course of the lawsuit.

"It's Chevron's right to do that, but when we contribute a few thousands, it's a criminal conspiracy," she said.

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