

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda or other document filed with the Attorney General under this act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

*Furnish this exhibit for EACH foreign principal listed in an initial statement
and for EACH additional foreign principal acquired subsequently.*

1. Name and address of registrant JEFFERSON WATERMAN INTERNATIONAL 1341 G Street, N.W., Suite 1100, Washington, D.C. 20005		2. Registration No. 4990
3. Name of foreign principal Republic of Croatia, Office of the Presidency	4. Principal address of foreign principal Zagreb, Croatia	

5. Indicate whether your foreign principal is one of the following type:

Foreign government

Foreign political party

Foreign or domestic organization: If either, check one of the following:

<input type="checkbox"/> Partnership	<input type="checkbox"/> Committee
<input type="checkbox"/> Corporation	<input type="checkbox"/> Voluntary group
<input type="checkbox"/> Association	<input type="checkbox"/> Other (specify) _____

Individual—State his nationality _____

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant. Office of the Presidency

b) Name and title of official with whom registrant deals.
Branimir Jaksic, Deputy Chief of Staff

7. If the foreign principal is a foreign political party, state:

a) Principal address N/A

b) Name and title of official with whom registrant deals.

c) Principal aim

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8. If the foreign principal is not a foreign government or a foreign political party,

N/A

a) State the nature of the business or activity of this foreign principal

b) Is this foreign principal

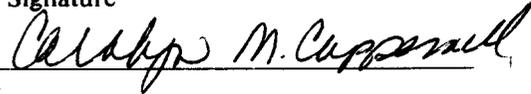
- Owned by a foreign government, foreign political party, or other foreign principal Yes No
- Directed by a foreign government, foreign political party, or other foreign principal Yes No
- Controlled by a foreign government, foreign political party, or other foreign principal Yes No
- Financed by a foreign government, foreign political party, or other foreign principal Yes No
- Subsidized in whole by a foreign government, foreign political party, or other foreign principal Yes No
- Subsidized in part by a foreign government, foreign political party, or other foreign principal Yes No

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

N/A

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

N/A

Date of Exhibit A.	Name and Title	Signature
2/1/95	Carolyn M. Cuppernull, Chief Administrative Officer	
The Jefferson Group		

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in triplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

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Name of Registrant	Name of Foreign Principal
JEFFERSON WATERMAN INTERNATIONAL	REPUBLIC OF CROATIA

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach three copies of the contract to this exhibit.
- There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach three copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

Contract between Registrant and Foreign Principal renewed by oral agreement February, 1994

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- Describe fully the nature and method of performance of the above indicated agreement or understanding.

To define U.S. policy formulation issues of strategic importance to Croatia; keep Croatian officials advised as to American attitudes towards pertinent issues; develop contacts and working relationships with Department of State, Department of Defense, key elements of the intelligence community, the House of Representatives and the Senate of the U.S. Congress, newspapers and other media, the Brookings Institute, the Center for Foreign Policy, the Center for Strategic and International Studies, and the Rand Corporation; set up visits by senior individuals from the Republic of Croatia for meetings with key U.S. Government officials, provide information on a continual basis to interested persons and media.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Develop contacts for the Republic of Croatia with the appropriate Executive Department offices of the United States Government, including the Department of State and Department of Defense; develop relationships for the Republic of Croatia to advance its cause publicly; develop relations with the key research organizations dealing with foreign relations issues; assure that official visitors from the Republic of Croatia are well received by the U.S. Government and elsewhere; provide advice and data pertinent to designated official recipients in the Republic of Croatia on a regular basis.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?¹

Yes No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Our political activities will be designed to present the Republic of Croatia's perspective on political and economic events regarding their relationship with Serbia, Bosnia, and other states in the region. We will use the following means to achieve this purpose: 1) Personal contact with executive offices of the U.S. Government, including Departments of State, Defense, and authorized elements of the intelligence community; 2) Personal contact with selected staff and members of both houses of Congress; 3) Discussion with editors of electronic and print media.

Date of Exhibit B	Name and Title	Signature
2/1/95	Carolyn M. Cuppernull Chief Administrative Officer, The Jefferson Group	<i>Carolyn M. Cuppernull</i>

¹Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

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POLITICAL CONSULTANCY PROPOSAL

REPUBLIC OF CROATIA

AND

WATERMAN ASSOCIATES, INC.

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I. Background

Since the dissolution of the former Yugoslavia and creation of the Republic of Croatia, the United States Government has increasingly played a key role in the region's future. The thrust of this proposal is to assist Croatia in realizing the maximum benefit from its relations with Washington.

Current relations are, on the whole, reasonably good. Diplomatic relations exist, and embassies have been established. A robust and sizable Croatian community exists in the United States, and has been politically mobilized. Sympathy for Croatia in its confrontation with Serbia is present among many U.S. officials and citizens. Three of Croatia's largest industries--petroleum, shipbuilding and tourism--are important to the United States and to the U.S. economy. More intangible, but no less important, a cultural affinity seems to exist between the two peoples. Bluntly, Croats and Americans usually like each other.

These positive factors require reinforcement, however. Specific emerging problem areas must be addressed:

o) Some of the current sympathy for Croatia comes from having been the victim of brutal aggression from Serbia, and the fact that its own territory is under occupation. Experience teaches us that enduring relations cannot be built on such a sentiment.

o) Certain elements within Serbia have been active in promoting their views in the United States, and this effort must be matched.

o) A number of articles and individuals have articulated the viewpoint that both Croatia and Serbia are to blame for the current carnage, and that both are conspiring to carve up Bosnia. This viewpoint must not be allowed to go unchallenged.

o) Should the time come when it is necessary for Croatia forcefully to assert control over Croatian territory currently hosting a United Nations presence, a wave of criticism must be anticipated and countered. The groundwork to justify such actions should be laid now, not after the fact.

o) Another adverse picture sometimes heard in the United States is that the Croatian government is itself repressive and "run by former Communists thinly disguised as nationalists", to quote from one political journal. Obviously, this theme cannot be left unchallenged.

In short, there is a basic foundation to work with regarding Croatia in the United States, but also much to do to maximize your relations here. We propose to bring the expertise to build on this foundation.

II. Objectives and Tactics

Effective political activity in Washington requires a coordinated, discreet strategy designed to present Croatia's case to the multiple centers of power which affect policy making. This requires a team of individuals tailored to the specific needs of Croatia, and not an "off-the-shelf public relations blitz." It also requires a sensitive understanding of the issues at play, and the inside experience to know how the United States government is likely to react to each of these issues. Our track record shows that we have these capabilities.

It is not sufficient merely to plead one's case to bureaucrats responsible for a given issue or area. It is, rather, important to ensure that several power centers are aware of Croatia's cause, and are willing to voice their opinions favorably on it. In Washington, for instance, a foreign or defense policy is primarily formulated in the Executive Branch as a result of meetings between the Department of State, Department of Defense, and National Security Council--all acting with the input of the intelligence agencies. It is important, therefore, for Croatia to have official and personal contacts at appropriate levels in all of these organizations. As you are aware, we are well positioned to assist in this process.

Contacts in the Executive Branch of the United States government are not sufficient, however, even though political directions are formally proposed and adopted in these offices. As in all areas of the world, policies in the United States reflect a composite of various political positions which have been presented to the Executive Branch by all components of government and the concerned public.

It is essential, therefore, to develop relations with key Congressional personnel and their staffs. A call from a key Senator to a policy-maker on an issue of importance to Croatia can have a significant impact. Coordination through your Washington representatives with the Croatian-American community would be another key factor contributing to the success of this effort.

It is also important to have working relations with influential newspapers and other media. There is nothing which captures the attention of policy-making officials faster than a timely display of interest by Congress and published articles or commentary on a given issue.

There is also a group of intellectual centers in both Washington and New York which do a large amount of publishing and lecturing on political issues. Many of the individuals in these so-called "think tanks" are either past or future government officials, and often formulate the intellectual foundations of future policies. They are an important target audience, and relationships with selected institutes should be established--particularly Brookings Institute, the Center for Foreign Policy, the Center for Strategic and International Studies, the Rand Corporation, and so forth.

None of this will have the desired impact without a great deal of planning, effort, coordination, and careful execution. It is these ingredients that Waterman Associates (WA) can provide.

To summarize in specific terms, therefore, WA will do the following:

- 1) Define, in conjunction with your key officials, the issues of strategic importance to Croatia as regards U.S. policy formulation, and how best to approach these issues in the U.S.
- 2) Advise Croatian officials of stated and unstated American attitudes towards pertinent issues.
- 3) Develop contacts for the Republic of Croatia in the appropriate Executive Branch offices of the United States Government. These will include, but not be limited to, the Department of State and the Department of Defense and the key elements of the intelligence community.
- 4) Develop relationships for Croatia in both the House of Representatives and the Senate of the United States Congress.
- 5) Develop meaningful relations with written and electronic media which will allow Croatia to advance its cause publicly.
- 6) Develop relations with key research organizations which deal with foreign relations issues.
- 7) Coordinate, in conjunction with Croatian officials, contacts with the above institutions in order to maximize their impact.

