



Murkowski's inaction in Renkes case a mystery

January 16, 2005

Surely Gov. Frank Murkowski is more objective about the potential ethics and professional-conduct violations facing Attorney General Gregg Renkes than he's exhibiting.

Because Renkes hasn't offered his resignation, and because Murkowski hasn't seen fit to relieve him of his duties, you have to wonder who's calling the shots inside the governor's office.

For his role in officially promoting a company in which he owned stock and with which he had close ties, Renkes drew additional fire last week from a former U.S. attorney who wrote to Murkowski and said Renkes may have violated several rules governing the professional conduct of lawyers.

In a letter sent to Murkowski last month, Wev Shea said Renkes' role in crafting a trade deal between Alaska, Taiwan and a Denver-based company constituted not only a conflict of interest but violations of conduct that Shea said make Renkes unfit to practice law in Alaska.

The heart of the matter is that Renkes, as a holder of stock in KFx, Inc., a company seeking to commercialize a coal-drying technology, was the lead negotiator in drafting a trade agreement between Taiwan and the state of Alaska, and on behalf of KFx.

By now Murkowski has appointed Anchorage lawyer and former U.S. Attorney Robert Bundy to investigate the matter, and the state's personnel board is looking into whether Renkes committed ethics violations.

At the very minimum, Renkes' involvement in the KFx deal has created the perception of wrongdoing. The attorney general held \$100,000 in KFx stock and was piecing together the deal between the state, a foreign interest and a private enterprise. Regardless of how Murkowski frames it, reasonable people can conclude that Renkes

had a sweetheart deal and that now he's somehow above reproach.

Even if he didn't stand to profit from the deal personally, Renkes never should have been as much in the loop as he was, certainly not in his role as attorney general. That leaves these questions: Why would Murkowski have his attorney general working on such a project, and why wouldn't he pull the plug on Renkes once he discovered Renkes' holdings in KFx?

And why wouldn't Renkes spare Murkowski the misery and embarrassment and choose to walk away.

Even if Murkowski can't (or chooses not to) see the strong public perception of wrongdoing, you'd think his chief of staff, Jim Clark, or someone else close to him would try to get through to him.

The two investigations notwithstanding, Murkowski can ill afford for the Renkes controversy to cast a pall over this 2005 legislative session. Further inaction will cause him to be seen as indecisive, loyal to a fault or just downright arrogant, as he was seen last year when he decided to move the state's marine highway headquarters from Juneau to Ketchikan.

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