

202-456-9270

Hoffmann, Myron L.

From: Denig, Paul
 Sent: Tuesday, August 08, 2000 10:38 AM
 To: Hoffmann, Myron L.
 Subject: FW: Media Issue in Bulgaria
 Importance: High

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From: Hogue, Paul
 Sent: Tuesday, August 08, 2000 6:09 AM
 To: Denig, Paul; Weitzenkorn, Laurie
 Cc: Stefanova, Aneta
 Subject: Media Issue in Bulgaria
 Importance: High

Since Julianne Paunescu has moved on to INR and I'm getting out-of-office replies from Jeff Jamison, I want to bring to your a troubling development in the Bulgarian media. Over the past two days, two national daily newspapers have run stories alleging President Clinton and the First Lady sent their warm personal regards (and even cufflinks?) to Ilia Pavlov on the occasion of his birthday. Mr. Pavlov is the head of Multigroup, a murky web of holding companies and subsidiaries born during the post-communist "grabitization" period of the early 1990s. Because of Multigroup's uncertain activities, the Embassy has a firm and long-standing "non-frat" policy towards Mr. Pavlov and his businesses, and I am very concerned that our efforts to distance ourselves are being undermined by this media story.

Prior to our POTUS visit last fall, post was embarrassed by reports and photos of Mr. Pavlov's wife, Darina, rubbing elbows with the Clintons in Washington and donating a \$1,000 check to the First Lady's senatorial election campaign (the check was later returned). For summaries of these 1999 reports, please refer to Sofia 07603, 07684, and 07735. The Ambassador is also concerned about this and has not yet received a response to his inquiry to the Bulgaria Desk Officer, Lisa Golden, at EUR/SCE.

The most influential and respected newspaper in Bulgaria, *Kapital*, sent reporters to Pavlov's very public birthday party, where they were apparently asserting that Darina's check to the First Lady was in fact not returned. *Kapital* is working on a story covering this issue and has asked us for clarification; is there a way to inform the White House of this development and to determine the facts of the matter? *Kapital* appears on Saturday and has a press deadline of COB Wednesday (our time), so any timely and authoritative denials or confirmations regarding the above would be greatly appreciated.

Thanks,

Paul Hogue
 Public Affairs Officer (Acting)
 Embassy of the United States of America
 Sofia, Bulgaria
 359-2-980-4838 (office)
 359-2-980-4885 (office)
 359-2-980-3646 (fax)
 359-0489-31428 (mobile)
 phogue@pd.state.gov (e-mail)

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Bulgarian News Agency
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Dave Stockwell

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