

# Two-Way Street

Bart Fisher is already an experienced hand in Eastern Europe, the world's newest trade frontier.

**W**ithin weeks of Hungary's recent "velvet revolution," international trade attorney **Bart Fisher, A.B. '63**, a partner in the Washington, D.C., law firm of Patton, Boggs & Blow, was on a plane to that country to help one of his clients establish joint business ventures there.

While new political parties are being formed in Eastern Europe, new business ties are being forged as well. After shunning relations with the democratic West for 45 years, countries such as Romania, Hungary, and Poland are now eager for international trade.

For Fisher, who is also a professorial lecturer in international relations at the Johns Hopkins School of Advanced International Studies in Washington, D.C., trade negotiations in Eastern Europe represent a chance to renew his commitment to free trade. It's a very heady time in Eastern Europe, he says. "They've passed phase one of getting a democracy. Now the difficult part begins — of developing economically and delivering the goods."

Interestingly enough, many of Fisher's clients who want to do business in Eastern Europe are themselves emigrés from that part of the world. "It's nice to be there with them," Fisher says, "because they have the right motives."

One client, he notes, emigrated from Hungary to the United States in 1956 at the time of the Hungarian Revolution. "He came here and made a great success in the United States," says Fisher. "Now he wants to go back."

In his 18 years as an attorney, Fisher has worked with a number of clients to facilitate trade relations in and out of the United States — his work in Eastern Europe is only the most recent. He's helped Mexico export its beer to the United States, he's lobbied the Japanese to purchase American-grown rice, and he's served as negotiator between feuding European trade unions and U.S. corporations that do business overseas.

For now, though, much of his energy is invested in opening up Eastern European markets to U.S. investors and manufacturers.

Fisher calls Eastern Europe "the last legal frontier." Since the introduction of democratic regimes in these countries in early 1990, Fisher



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has made several trips with his clients to Poland, Hungary, and Romania — places that would have been entirely unapproachable as late as 1989. On a recent trip, Fisher and his client toured five textile factories in Hungary and one in Romania — all in the course of a week.

Fisher notes that for many observers the only real surprises in the democracy movement in Eastern Europe were the speed at which such movements came to fruition and the fact that, with the exception of Romania, the revolutions came about with very little bloodshed.

"In Hungary," he says, "the Communist party was there only 40 years. Hungary has a long and illustrious history, and 40 years is a drop in the bucket in that history."

Because of Eastern Europe's Communist history, trade negotiations there present interesting legal challenges. Fisher explains that on a trip last spring, his client had decided to make an offer on a factory in Hungary. "The client said, 'Okay, I really want to buy this place,'" Fisher says. "I only have two questions: How much is it going to cost, and to whom do I write the check?"

Although the first question seemed easy to address, the Hungarians had some difficulty answering the second. In terms of delivering a privatized economy, who owns property that used to be state-run? Its managers? The workers? The people? Or do state or local governments own the factories? "Very complex answers for simple questions," notes Fisher.

"In Eastern Europe, the government owns most everything so it is, out of necessity, generally your joint-venture partner," he says.

Because so many of the "old guard" leaders are Communists, there exists the possibility of a vacuum in terms of finding experienced leaders for the new democracies. And because the democracies are still evolving, persons in power today may not have authority six months from now. Both issues can cause problems for his clients, so part of Fisher's job is to find ways around the hassles.

"So far, I've dealt primarily at the local level," he explains. "I'm trying to avoid the central government as much as I can — presenting it as much as possible with a *fait accompli*."

Movement toward a privatized economy can also be hampered by old-fashioned attitudes toward accounting and factory management — attitudes that often fail to encourage responsible record-keeping.

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"Even placing a value on factories that were formerly state-run can be difficult," says Fisher. "The balance sheets are a joke, so you've got to bring in independent evaluators to find out what a business costs.

"What I do in Eastern Europe," he says, "is get the money for the enterprise in terms of U.S. government monies or the multilateral lending institutions like the World Bank or private banks. Then I get guarantees, and then I bring the goods in. So it's a three-step process: We find the money, we get guarantees for the money, and we bring the goods in.

"I deal with people who want to move goods, services, and capital in and out of this country," he adds. In terms of day-to-day activity, a lot of what Fisher does is talk to people — lobbying members of Congress, testifying before government committees, holding press conferences, and otherwise doing what he can to strike deals between parties with opposing viewpoints.

"It's extremely political, what I do," says Fisher. "Trade practice is like politics, and you deal with money." For Fisher and his colleagues, the business has gotten even more competitive in the past 15 years or so. In 1991, there are about 50 firms in the Washington, D.C., area that deal in international trade. "When I started doing this," Fisher says, "there were about five firms.

"You've got to be educating and re-educating yourself all the time," he notes. "What's out there is a different challenge."

For Fisher, it's a challenge met with a combination of energy and a philosophy that has survived even Washington politics, a combination that is manifested in an ongoing effort at promoting and facilitating trade.

"I'm not a protectionist," Fisher states. "I believe in trade. We have to import. We have to export. We can't do one without the other. My job is to keep trade flowing both ways." ■

—Gretchen Lee, A.B. '86