

## The case builds for Donald Regan's ouster

by Susan Welsh

The clamor of demands for the firing of Donald T. Regan has reached deafening proportions in Washington, as political forces ranging from Nancy Reagan to the *Washington Post* to Kissinger Associates' Lawrence Eagleburger insist that the head of the White House chief of staff must finally roll. Since Lyndon H. LaRouche, Jr. called for Regan's ouster, in a press conference before the National Press Club in Washington in April of this year, the attention of the nation has increasingly been focused on this kingpin of the White House "Palace Guard."

Don Regan never allows the President to receive a briefing from a high government official without himself being present; he scrutinizes the most minute details of the functioning of the Executive Branch; yet now he would have us believe that he "did not know" about the illegal actions of the National Security Council, in selling weapons to Khomeini's Iran, and diverting part of the proceeds to arm the Nicaraguan Contras—among others.

Nobody in Washington today believes that, as the following sampling of responses reveals:

- Lawrence Eagleburger, the former assistant secretary of state and current president of Kissinger Associates, wrote in the *Washington Post* on Nov. 30, that President Reagan must carry out "a wholesale housecleaning of those who let him down either through action or inaction, starting with Chief of Staff Donald Regan. . . . Only if he shows himself to be in charge, and surrounds himself with the best talent available, can the President regain lost confidence."

- Syndicated columnists Evans and Novak wrote on Dec. 3 that "major changes in personnel" are required, "starting with what is obviously a painful decision for the President: chuck Donald Regan overboard as chief of staff."

- The *Los Angeles Times* on Dec. 3 wrote that "Regan

must go because, by either commission or omission, he bears a central responsibility for the ill-conceived plan that made a shambles of America's anti-terrorism policy and a mockery of congressional intent."

- The *Washington Post* ran a full-page article in its "Style" section on Dec. 5, saying that "not since Haldeman and Ehrlichman has a White House top operative spawned such ill will as Donald Thomas Regan, the White House chief of staff." The article quotes Sen. Larry Pressler (R-S.D.), "Regan talked and acted as if he didn't need anybody. He had a very exalted view of himself."

- On Dec. 5 columnist Robert Novak said, in an interview on "The McLaughlin Group" television talk show, "There's a real fight going on inside the White House between whether or not Don Regan is trying to save himself at the expense of the President."

- Sen. Richard Lugar (R-Ind.) on Dec. 6 called for the resignation of Don Regan and CIA Director William Casey. Speaking at DePauw University in Indiana, he said, "It seems to me the President has not been well served in intelligence matters or by his chief of staff." He suggested that the administration bring in "big leaguers," such as Henry Kissinger or Jeane Kirkpatrick, to continue the nation's foreign policy!

### The policy issues

Certainly there is no way that President Reagan can prevent the destruction of his presidency without firing his "Rasputin," the evil adviser from Wall Street's Merrill Lynch, whose control over the Chief Executive has driven the First Lady into such a fury. But it is the entire complex of policies which Regan upholds, which must now be reversed. On behalf of the Eastern Liberal Establishment, its Wall Street financial moguls, and its Trilateral Commission, Regan has

overseen the destruction of the U.S. economy, with industrial production declining at an annual rate of 15-25%. From his career as chairman of the board of Merrill Lynch, to his stint as treasury secretary, and then as White House chief of staff, Regan has worked to promote the drug-linked financial interests and dirty-money-laundering capabilities which are replacing manufacturing industry in the United States. When appointed chief of staff, he proclaimed that he saw one of his principal jobs to be reining in the defense budget, and keeping Defense Secretary Caspar Weinberger away from the President. In cahoots with Secretary of State George Shultz, Regan has fostered the foreign policies which developed out of Henry Kissinger's reign at the National Security Council and State Department, including the Kissinger-Carter-Brzezinski shaping of "the Islamic fundamentalism card" and "the special relationship with Israel."

It is not surprising to find Don Regan's Merrill Lynch firm cropping up in the course of the current Iran-gate investigations: It turns out that the Iranians maintained very large deposits in the Geneva branch of Cr dit Suisse bank, business partners of Merrill Lynch. It has been reported that the same branch was involved in a financial transfer from Iran to the Contras, involving a mysterious arms-trading company known as the M-Group, whose director was formerly the director of Merrill Lynch's Teheran office, during Regan's tenure at the brokerage.

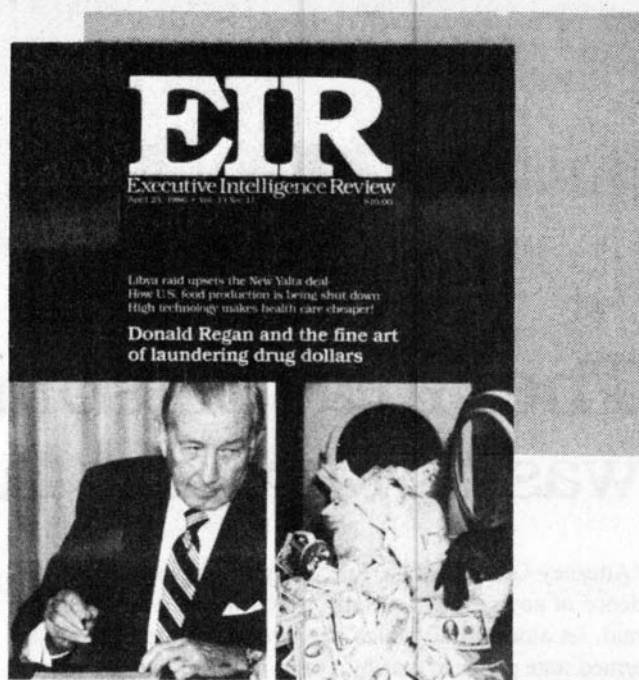
### Weinberger: 'bad advice'

Will President Reagan repudiate the policy which led to Iran-gate, and distance himself from the Trilateral Commission? Defense Secretary Weinberger opened the way for that, when he charged, during his recent visit to Western Europe, that the President had been given "bad advice," which led to the sale of arms to Iran and the Contras. The charge pointed implicitly to officials of the National Security Council, and to Donald Regan.

Speaking to reporters in Paris on Dec. 2, Weinberger said that he was "horrified" to learn that profits from U.S. arms sale to Iran went to the Nicaraguan Contras. "It's totally the wrong thing to do in my opinion," he said. ". . . I think it's proper that the Contras be supported, but not in that way, [rather] by appropriation from the Congress."

The following day, Weinberger said that the President was trying "to open an agreement and an arrangement with people whom he had been advised were of a far different character than the people he was quite properly denouncing as being fanatical lunatics in Iran. I think, unfortunately, some of that advice has not turned out to have been accurate or correct. We will find out whether or not the President was not only being given bad advice, but was being deceived along with the American people. If that is the case, proper punishment will take place."

Then in an interview from Europe on NBC's "Today" show on Dec. 4, Weinberger said that he had explained to European governments what the President tried to do. Con-



EIR exposed Don Regan's role in drug-money laundering in its April 25, 1986 issue.

trary to the State Department-NSC policy of secret negotiations with "moderate" mullahs, Weinberger denied that there were any such forces politically active in Iran. "I've had the opportunity to go over with them [the Europeans] the President's very good motives, unquestioned motives, in trying to open a relationship with a country that is very strategically and geographically located, such as Iran. . . . And the point was, he did try to do that, and he tried to do it on what turned out to be very bad advice, to the effect that there were some moderate elements in Iran that could be dealt with. . . . There aren't any moderate elements in Iran, that are still alive, that can be dealt with.

The appointment of Frank Carlucci to replace Adm. John Poindexter as national security adviser is one indication of Weinberger's factional strength at this point. (Donald Regan had reportedly backed William Hyland, the editor of *Foreign Affairs*, journal of the New York Council on Foreign Relations; Carlucci was Weinberger's deputy at the Pentagon until late 1982, and was reportedly recommended for the NSC post by Weinberger.)

ment," said the defense secretary on Dec. 3. He predicted that Carlucci will run the NSC with "total loyalty" and in "total support for the President's policies." Under Carlucci, the NSC will be "a staff to the President and concerned primarily with sorting out and presenting to the President the different views and giving the President excellent staff advice on these matters and working extraordinarily well with all the elements of the security community. The role of the NSC that I've outlined, that I believe Frank Carlucci will bring to it, is a proper and necessary role for that agency."