

Newsweek

Time Pg. 26

U.S. News & World Report

Date 16 MAY 1988

For the Record

By Donald T. Regan

STAT



NANCY REAGAN STAMMERS

slightly when she is upset, and her voice was unsteady when she called me from Bethesda Naval Hospital on Friday afternoon, July 12, 1985, to tell me that her husband, the President of the United States, would require surgery for the removal of a large polyp in his intestinal tract. In illnesses of this kind, speedy treatment is essential, and so I was concerned—apprehensive would be a better word—when she told me that the operation might be delayed for a day and a half.

"I'm reading something into this," I said, speaking cautiously because we were on the telephone. "Am I on firm ground in doing it?"

"Yes, possibly," the First Lady replied.

Her answer worried me. I feared two things—first, that President Reagan's condition was more serious than his wife had been able to tell me over the telephone, and second, that the First Lady was choosing the date for surgery in consultation with her astrologer. Of the two possibilities the second seemed the more likely. Virtually every major move or decision the Reagans made during my time as White House chief of staff was cleared in advance with a woman in San Francisco who drew up horoscopes to make certain that the planets were in a favorable alignment for the enterprise.

Nancy Reagan seemed to have absolute faith in the clairvoyant powers of this woman, who had predicted that "something bad" was going to happen to the President shortly before he was wounded in an assassination attempt in 1981. Before that, Mrs. Reagan had consulted a different astrologer, but now she believed that this person had lost her powers.

The First Lady referred to the woman as "My Friend."

Although I never met this seer—Mrs. Reagan passed along her prognostications to me after conferring with her on the telephone—she had become such a factor in my work, and in the highest affairs of the nation, that at one point I kept a color-coded calendar on my desk (numerals highlighted in green ink for "good" days, red for "bad" days, yellow for "iffy" days) as an aid to remembering when it was propitious to move the President of the U.S. from one place to another, or schedule him to speak in public, or commence negotiations with a foreign power.

When the timing of his surgery was raised with the President, however, he settled the issue himself. Why wait? he asked the doctors. Do the tests and go ahead with the operation. I can function just as well in the hospital as at home.*

Although the President would sometimes remind me, when I suggested a change in plans, that certain days were not good for a public appearance, I never knew for sure whether he was aware of the role played by the astrologer in making his schedule. But on this occasion, if the Friend's powers were invoked, the Chief Executive apparently decided to ignore them. I later learned that the Friend had failed to predict the discovery of a malignancy in the President's bowel: a 5-cm growth.

During his recuperation, the President asked that visitors be kept to a minimum. But I never imagined that he would refuse to see anybody at all. Vice President Bush, who had comported himself with his usual flawless tact and loyalty during the crisis, wanted to pay his respects. Robert C. ("Bud") McFarlane, the National Security Adviser, was pressing for a meeting with the President on what he described as a matter of great importance.

His sense of urgency was obvious. At the time, I had no idea that McFarlane wanted to discuss a verbal message from the Prime Minister of Israel raising the possibility of a dialogue between U.S. officials and members of Iran's government. I scheduled both Bush and McFarlane for Monday.

Continued

Page

40.

2.

Mrs. Reagan was angry. She had heard that Vice President Bush and I might go to Bethesda by helicopter. The First Lady objected vehemently to my travel by helicopter—a presidential form of transportation. Listening to her voice, I jotted down the words “very mad.” I had hardly hung up when Edward Hickey, who handled White House transportation, called to warn: “I’d cancel the helicopter if I were you, Don. The First Lady’s staff is talking about it.”

“I’m just trying to save time,” I said. “I’ve got to go out there seven days a week—that’s more than ten hours down the drain in a single week.”

“That would be a good reason under normal circumstances,” Ed replied. “But the buzzards are out, Don. Be careful what you’re doing.”

His language took me aback. So did the realization that my actions were being monitored by the First Lady’s staff and turned into a subject for gossip. This was something new in my life and I did not welcome it.

“O.K.,” I said. “Cancel the damn helicopter.”

Monday morning I arrived at the White House by 7:15. Soon Mrs. Reagan called me again to argue against a visit by Bush and McFarlane. I explained that McFarlane had an urgent reason to see the President. “Whatever it is, Bud can put it in writing,” she said. “Ronnie can read. But talking to visitors will tire him out. Besides, it would be very bad for anybody to see him while he still has tubes in his nose.”

The situation could not continue. Stories were beginning to appear in the media suggesting that I was freezing out McFarlane

and feuding with Bush. Reporters were asking members of the staff if I had become some sort of Prime Minister or acting President. Nancy Reagan and I were the only people they ever saw going in and out of the hospital. A rumor was abroad that I would only approve pictures of the President in which I, too, appeared.

When I complained to Mrs. Reagan about the unfairness of this, she did not sympathize. “Pull back,” she said. “Keep a low profile. Don’t be seen out too much; people are talking.”

It was a losing battle. In obedience to the First Lady’s wishes, I was the only one besides herself who was seeing the President. Because he is news incarnate, that made me news. “It’s unconscionable,” I told Mrs. Reagan, “and damn curious to the press and foreign governments that the President isn’t seeing anyone from his National Security Council staff.”

Finally, on Thursday, July 18, Mrs. Reagan reluctantly gave permission for McFarlane to visit the President. Bud spoke to the President for 23 minutes. This meeting, which was to have such fateful consequences, seemed routine at the time, and it seems routine in memory.

I was present throughout. My notes say, “Middle East/ Hostage Release problem,” then “Soviet/ Geneva arms talks.” I do not remember that the hospital meeting was marked by a sense of drama.

McFarlane asked the President if he was interested in talking to the Iranians, reasoning that the U.S. ought to be establishing contacts if and when a new government came into being in Tehran. The hostages were discussed in a general way. The sense of this part of the conversation was that the Iranians,

who had been helpful in connection with the hijacking of TWA Flight 847 in June, might be disposed to be helpful in other situations if we were more friendly to them. Nothing in my notes or in my memory suggests that the idea of swapping arms for hostages was mentioned by either man.

Iran took up ten or twelve minutes. McFarlane spent at least half his time talking about arms negotiations, another subject close to the President’s heart. It hardly seems likely that an entirely new policy, involving a brusque departure from past practices and established principle—and bringing in a third country, Israel, as middleman in a secret arms sale—could have been decided on in such a brief encounter. The President said later he had no recollection of this meeting. That did not surprise me. I wonder if I would have remembered it if I hadn’t had such a difficult time persuading his wife to let it take place.

“Watch out,” he said. “I may take you up on that.”

On Dec. 18, Mike Deaver, White House deputy chief of staff, joined us at Baker’s house for lunch. Deaver listened with the polite air of a man who had already heard what he was now being told. In my innocence the thought that Deaver had cleared the plan with the First Lady before discussing it with me, or even with the President, did not occur to me.

“Yup,” Deaver said at last, in a decisive tone. “It’s a good idea.” He listed his reasons: the beginning of the second term was the natural time for a change of chiefs of staff; I had been loyal to the President; I had no discernible personal agenda; nobody had to worry about my running for public office à la Al Haig. Even my age, just shy of 66, was in my favor.

Continued

41.

3.

"This would be your terminal job, Don," he said, turning a memorable phrase. "Let's go to the President with it."

Deaver later claimed that he broke the news of the Baker-Regan job swap to Ronald Reagan with the words, "Mr. President, I've brought you a playmate of your own age." I don't remember this witticism, but the atmosphere was certainly relaxed, even lighthearted, when Baker, Deaver and I called on the President on Jan. 7, 1985.

Omitting preliminaries, Deaver said, "Mr. President, Don has something he wants to discuss with you that he's talked to Jim and me about. We'd like to know what you think about it."

I could see that something was up with you three, Reagan said. Let's have it.

There was a twinkle in his eye; Deaver—bald, small and bustling—projected a sort of cheeky familiarity, and Reagan seemed to enjoy his irreverence.

I explained what Baker and I had in mind. Reagan seemed equable, relaxed—almost incurious. This seemed odd. Deaver had ideas about leaving, and Ed Meese was soon to become Attorney General. Now Baker, the last of the three advisers who had been at Reagan's side all during his two successful campaigns for the presidency and his first term, wanted to go elsewhere. A new chief of staff would be taking over duties formerly carried out by all three men. The President could not afford a mistake.

In the President's place I would have put many questions to the applicant. Reagan made no inquiries. I did not know what to make of his passivity. I said after a moment, "Maybe you'd like to think about all this." Reagan waved away the suggestion. Tell me a little more, he said.

"You know me well enough after four years to know what I stand for," I said. "And I think that you and I see things alike."

Regan nodded affably. This thing does make sense, he said. Yes, yes—I'll go for it.

Less than 30 minutes had passed since the meeting began. The President seemed to be absorbing a fait accompli rather than making a decision. One might have thought the matter had already been settled by some absent party.

After I arrived at the White House, Deaver remained in his office (the one closest to the Oval Office) for about three months, continuing to handle scheduling and imagery. His fundamental style, that of a man who advances himself by doing favors for others, was not one that I admire, but he was very useful to the Regans and seemed more secure than any other person on the staff in his relationship with them. He treated the White House

like the residence of an indulgent aunt and uncle, bringing his friends home to play tennis and eat in the mess. Deaver was affable and accommodating in his dealings with me—and of course he was the leading expert on the temperament and methods of the First Lady.

Deaver's function had as much to do with the mysterious process of managing this shadowy distaff presidency as with his visible role as custodian of the presidential image. Although Mrs. Reagan's considerable staff handled her affairs with great efficiency, it was Deaver who was entrusted with important missions. By long habit he knew how to relieve Mrs. Reagan—at least momentarily—of the worry, irritation and impatience that seemed to be her constant companions.

If Mrs. Reagan was unable to persuade the President to act on her advice on an official matter, she would put Deaver in play. As I found to my cost, he devised ways to communicate Mrs. Reagan's demands to the President by planting stories in the press that the President was bound to read and by creating a climate of expose with which the President was forced to deal. Sometimes gossip—the suggestion that someone had

lost the President's confidence—was enough to solve the problem without engaging the President directly: some people left Reagan's service convinced that he wanted them to go, when in fact he had little or no idea that they were going.

As Deaver's departure drew nearer, I began to deal more with Mrs. Reagan. Some of her requests seemed so far out of her proper area of competence that I was disposed to ignore them. Her husband, for example, was all but incapable of firing a subordinate, and I suppose she had become used to supplying the missing determination. Her purpose was to protect the President from embarrassment and insulate him from associates who might tarnish his reputation.

Deaver's consistent advice was to humor her. "I wouldn't phrase it quite that way," he would advise, on reading a draft that touched on some subject of interest to Mrs. Reagan. "I wouldn't push that. . . I'd be careful on that one." I was left with the impression, which proved accurate, that walking on eggshells was a useful skill to cultivate if you were going to deal with Mrs. Reagan day-to-day.

And then there was the question of the astrologer's influence. Before I came to the White House, Mike Deaver had been the man who integrated the horoscopes of Mrs. Reagan's Friend into the presidential schedule. He did so with the utmost tact, leaving the impression with the dozens of people who wait on any presidential scheduling decision that he, Deaver, was the ditherer. I found this odd because Deaver was remarkably punctual and efficient in everything

else. Although in theory Deaver was empowered to make any entry he wished on the President's calendar, he never agreed to any trip or outside event on the spot. "Let me play around with this," he would say; "let me see what can be done." Sometimes weeks would pass before a decision was made. This caused inconvenience and grumbling. Deaver was, of course, waiting for approval from the First Lady's Friend, and it is a measure of his discretion and loyalty that few in the White House suspected that Mrs. Reagan was even part of the problem—much less that an astrologer in San Francisco was approving the details of the presidential schedule.

When, after a few days on the job, I asked Deaver to explain the delay and uncertainty surrounding the President's schedule, he was plainly uncomfortable. "Ssshhh," Deaver said, throwing up his hands and casting furtive glances. "Don't bring that up. Leave it be."

The confusion continued even after Deaver left the White House. I complained to Bill Henkel, the President's chief advance man. Poor Bill, who had been in on the secret for some time but was not at liberty to disclose it to me, made no excuses.

Continued

42

4.

But Henkel finally did persuade Deaver to tell me the facts. He said I had to know them or the entire scheduling process would collapse. Deaver came to see me and explained the mystery. I thought at first that he was joking, but he made it plain that he was not.

Deaver told me that Mrs. Reagan's dependence on the occult went back at least as far as her husband's governorship, when she had relied on the advice of the famous Jeane Dixon. Subsequently, she had lost confidence in Dixon's powers. But the First Lady seemed to have absolute faith in the clairvoyant talents of the woman in San Francisco.

Apparently, Deaver had ceased to think there was anything remarkable about this long-established floating seance: Mike is a born chamberlain, and to him it was simply one of many little problems in the life of a servant of the great. "At least," he said, "this astrologer is not as kooky as the last one."

As I discovered in my turn, there was no choice but to humor the First Lady in this matter. Still, the President's schedule is the single most potent tool in the White House, because it determines what the most powerful man in the world is going to do and when he is going to do it. By humoring Mrs. Reagan we gave her this tool—or, more accurately, gave it to an unknown woman in San Francisco who believed that the zodiac controls events and human behavior and that she could read the secrets of the future in the movements of the planets. When the Geneva summit was held in November 1985, I couldn't resist reflecting that a heavy

burden must have been placed on the poor woman. She was called upon not only to choose auspicious moments for meetings between the two most powerful men on our planet but also to draw up horoscopes that presumably provided clues to the character and probable behavior of Gorbachev.

Mrs. Reagan, who talked to her Friend mostly on Saturday afternoons from Camp David, once complained to me in budgetary terms about revisions in the schedule. "I wish you'd make up your mind," she said testily. "It's costing me a lot of money, calling up my Friend with all these changes."

The President's view of the situation was never discussed. That he permitted it to exist and never reversed any of the situations created by his wife's intervention was regarded as sufficient evidence that he was willing to tolerate the state of affairs.

I had never dealt with anything like this in nearly 45 years of working life. "Maybe your Friend is wrong," I would suggest to Mrs. Reagan. She did not think so: her Friend had not only predicted the assassination attempt nearly to the day but had fore-

seen the explosion of a bomb planted in a TWA plane that was damaged over Greece in 1986, and had been right about other things, including a premonition of "dire events" in November and December 1986—that is, the Iran-*contra* scandal.

Eventually, to separate myself from all this as much as possible, I proposed giving Deaver's old title, deputy chief of staff, to Dennis Thomas, who had been at Treasury. The idea made Deaver nervous. "I, uh, don't think this will fly with the First Lady," he said. Nevertheless, I phoned Mrs. Reagan and said, "There should be somebody on the President's staff you can call on. Dennis will be very good at the job."

Silence. Finally Mrs. Reagan said, "I don't think you need a deputy, Don. You can handle this yourself."

"Well," I replied, "I thought that somebody should be attentive to your needs in the way that Mike was."

"When I need something, I'll call you directly," the First Lady said. "I don't see any need for an intermediary."

Fateful words . . .

Slow Poisons and Quick Ones

WHEN, IN ROBERT GRAVES' NOVEL *I, Claudius*, the inquisitive Claudius asks his grandmother Livia whether she prefers slow poisons or quick ones to dispose of someone, she replies that she preferred "repeated doses of slow tasteless poisons which gave the effect of consumption." In the novel, Livia is a clever but ruthless woman who rules the Roman empire from behind the scenes by manipulating her husband Augustus Caesar.

Without stretching things too far, it can be suggested that the most popular poison in 20th century Washington is bad publicity. In massive doses it can destroy a reputation outright. When leaked slowly into the veins of the victim, it kills his public persona just as certainly, but the symptoms—anger, suspicion, frustration, the loss of friends and influence—are often mistaken for the malady. The victim may realize that he is being poisoned; he may even have a very good idea who the poisoners are. But he

cannot talk about his suspicions without adding a persecution complex to the list of his faults that is daily being compiled in the newspapers.

The meeting at Bethesda Naval Hospital between the President and Bud McFarlane in July 1985 proved, of course, to be the first in a sequence of events that very nearly led to the fall of one of the most popular presidencies in the history of the U.S. But, like that meeting with McFarlane, the events that snowballed into the catastrophe that came to be known as the Iran-*contra* affair made little impression at the time that they happened. Much of what went on was hidden from the President (and, incidentally, from me) by McFarlane and his successor as National Security Adviser, Admiral John Poindexter, and by that remarkable young Marine who was a virtual stranger to both of us, Lieut. Colonel Oliver North.

Continued

43.

5.

On Nov. 4, 1986, a Lebanese newspaper was quoted as stating that the U.S. had been supplying military items to Iran, and that McFarlane had visited Tehran to seek the release of hostages held by terrorists in Lebanon. I thought the story would metastasize and advised the President to respond to it at once. He shook his head no. In no way, he said in an adamant tone unusual for him, would we discuss publicly the methods used to gain the release of the hostages.

But Presidents, like actors, live and die by the public's favor. Ronald Reagan, who has practiced both crafts, understands this in his bones. In the end, he gave a television address on Nov. 13 and held a press conference on Nov. 19 to tell the truth and clear the air once and for all. Unfortunately, the raw material came from people

on the NSC staff who were not prepared to tell the President the truth.

Then, on Nov. 24, Attorney General Meese informed the President that his investigation had discovered a possible diversion of funds from the Iran arms sale: \$18 million was unaccounted for, and some had gone to the *contras*. The President, normally a ruddy man with bright red cheeks, blanched. Nobody who saw his reaction could believe for a moment he knew about the diversion before Meese told him about it.

That evening I received a phone call from the First Lady. Her mood was furious, and there was no mistaking her message: heads would roll. I had the impression that mine might very well be among them.

Before the scandal broke, the Reagans had made plans to spend Thanksgiving at their California ranch. On Thanksgiving Day in Santa Barbara, the White House press corps was in a prosecutorial fever over the Iran-*contra* scandal. Given the circumstances, this was not surprising. Since Viet Nam and Watergate, many of the big-time media have tended to regard every public official as a suspect from the day he takes office, and public service as a crime waiting to happen.

Because in a sense I was the only game in town—the President was inaccessible on his mountaintop—I was sought after by these excited men and women. Questions were being shouted at me: What did I know, and when did I know it? What did the President know? What were we going to do? Had I known that money was being diverted? Later that evening, on the telephone with Nancy Reagan, I said, "Obviously I'm becoming the center

of attention for the press, and I don't understand it. If this keeps up, it will be a major problem by next week."

My staff had picked up many signs of a campaign of leaks designed, they thought, to destroy the President's confidence in me. I mentioned this to the First Lady and asked whether she thought this was paranoia or reality. Instead of answering, she lapsed into silence. Not until later did I realize the full significance of the First Lady's stony response.

In early November Richard Wirthlin's polls showed that 70% of the American people approved of the way the President was doing his job. A month later a New York Times/CBS News poll found that the President's job-approval rating had dropped below 50%. The First Lady's staff and her confidants from outside the Government, known collectively as the "East Wing" in White House jargon, were especially worried. Reports of their gossip filtered into my office, and I knew this was a sign that it would soon start pouring into the press.

On Dec. 12 the Washington Post reported that the President had met with Bill Rogers, Secretary of State during Richard Nixon's first term, and Robert Strauss, former chairman of the Democratic National Committee. The meeting was conducted in great secrecy. I learned later that the conversation soon came around to me. The First Lady felt that I had become a liability to the President and should go. Strauss agreed that there were strong arguments for getting rid of me.

The press hates and mistrusts Regan, the President was told, and believes he has mishandled the crisis. The impression was being created that I bore major responsibility for the disaster engulfing the presidency. Whether this was true or not was irrelevant—in politics, appearance is reality, and the momentum of the press campaign was so great that matters could only get worse. I was going down fast, and the President's friends were afraid I would drag him down with me. The President's place in history was at stake.

Hitting Him When He's Down

ON MONDAY, DEC. 15, Bill Casey collapsed in his office at the CIA. On Dec. 18 doctors at Georgetown University Hospital operated to remove a growth on the brain that proved to be cancerous. The prognosis was bleak.

Casey had been severely roughed up in the media and on Capitol Hill over the Iran-*contra* scandal. As a result of the uproar, Nancy Reagan came to regard Casey, too, as a political millstone. Just before Christmas she rang to ask, for the third or fourth time since Casey's surgery, what I was doing to get rid of him as director of Central Intelligence.

"Nothing," I said.

"Why not?" Mrs. Reagan asked in her familiar stammer. "He's got to go. He can't do his job; he's an embarrassment to Ronnie. He should be out."

"But, Nancy, the man had brain surgery less than a week ago. This is no time to pull the rug out from under him. It's Christmastime. It wouldn't be seemly for Ronald Reagan to fire anybody under these circumstances, much less Bill Casey. We're not going to do it."

Mrs. Reagan, who had already shown signs of irritability, now became angry. "You're more interested in protecting Bill Casey than in protecting Ronnie!" she cried. "He's dragging Ronnie down! Nobody believes what Casey says; his credibility is gone on the Hill."

"All that may be true," I replied, knowing that some of it was. "But Bill Casey got your husband elected, and he's done a lot of other things for him too. He deserves some gratitude and a better break than you're giving him, Nancy."

Early in November, just as the Iran-*contra* scandal broke, the First Lady informed me that the President had an enlarged prostate. The condition would be relieved by transurethral resection, which eliminated the need for incision of the skin, on Jan. 5, 1987; the President was expected to be in Bethesda Naval Hospital for about four days and to have a rapid recovery.

Continued

44.

Before the surgery, Mrs. Reagan phoned to talk about the President's schedule. She said that he should be seen to be active and capable of carrying on a normal routine after he left the hospital. I agreed. "He hasn't had a press conference since Nov. 19," I said. "What about having one on Jan. 20?"

The First Lady's voice rose. "No," she said. "No press conferences for at least three months." Her protective instincts were fully aroused, and I assumed, too, that she had been talking to the astrologer.

"We have activities all lined up," I said, hinting at the problem. "But I need your help on the actual dates."

Mrs. Reagan stammered. "I'll, uh, uh, uh, have a discussion about that and get back to you," she said. This conversation was, for the most part, friendly and devoid of her usual references ("Are you still here, Don?") to resignation.

A few days later, although the President was recuperating nicely, Mrs. Reagan suddenly ruled out any travel or other important outside activity until April. Her concern for her husband's health was understandable, even admirable. But it seemed to me excessive, particularly since the President himself did not seem to think there was any need for him to slow down to the point where he was lying dead in the water. But Mrs. Reagan's Friend had told her that January was a bad month for him. This had the effect of immobilizing the President. His schedule was in a state of chaos.

Mrs. Reagan's determination to oust Bill Casey, meanwhile, had not abated. On Saturday, Jan. 24, she rang me from Camp David to tell me she had learned that Bill would be incapacitated for the foreseeable future. I told her that the President was probably going to send Casey a gentle letter soon, asking him to step aside.

"Send it to his lawyer," Mrs. Reagan said, "because Sophia [Casey's wife] won't let it be delivered to Casey. Do it Monday. Ronnie is ready, so why wait?" Later the President himself called me from Camp David and asked if I had arranged a meeting with Sophia Casey to discuss Bill's resignation.

Ed Meese and I called on Casey in his hospital room on Thursday, Jan. 29. He was devastated physically and intellectually. He had lost a great deal of weight and all his hair. He was incapable of coherent speech. He waved his hands about weakly and made inarticulate sounds in answer to questions. Sophia interpreted the sounds he made. I took her aside and asked if we could talk to her husband now about his job. She nodded. I went back to Bill's chair and, standing beside him, said, "Bill, I'd like to talk to you about the agency and you."

I had a letter signed by the President relieving Casey of his duties. Bill may have sensed this. He waved his hands and uttered a string of incomprehensible sounds. Sophia interpreted. "He says, 'Get the best man you can.'"

"In other words," I said, "you're saying you want to be relieved of your task, and we should look for someone else."

He seemed to nod. I said, "All right, Bill, then I'll tell the President about your decision. But when you're ready to come back, the boss wants you next to him as Counselor to the President—Ed Meese's old job." Tears filled Casey's clouded eyes. He gripped my hand with surprising strength.

Minutes after I returned from the hospital to my office in the West Wing, the telephone rang. "Well, what's the news on Casey?" Nancy Reagan asked. I told her that he had agreed to be relieved of his duties. "Good," the First Lady said.

Blood in the Water

SEVERAL IMPORTANT WHITE HOUSE aides had planned, like me, to leave after the midterm election. Larry Speakes had resigned and been replaced by Marlin Fitzwater, who had worked for me at Treasury and as Vice President Bush's press secretary. Mitchell E. Daniels, the political director, had decided to practice law. Pat Buchanan would be leaving March 1 as director of communications.

The First Lady, who always took a close interest in White House staff appointments, called me at home at 9:46 a.m. on Feb. 7, a Saturday, to talk about her candidates for these vacancies. She recommended Frank Donatelli, who had worked in all three Reagan presidential campaigns, for political director. For Pat Buchanan's old job, Mrs. Reagan favored John O. Koehler, a German-born American recommended by Charles Z. Wick, director of the U.S. Information Agency.

On another topic, the First Lady expressed unhappiness over a growing tendency in the press to criticize the President's lack of activity. I suggested that the way to overcome the media's pent-up hostility and ill-informed criticism was to get the President out into public view. A full month after his release from the hospital, his schedule was still a dead letter because Mrs. Reagan's Friend had not provided a list of auspicious days. "Please, Nancy," I said, "get us some dates. He didn't even appear in public on his birthday."

The next morning Mrs. Reagan told me that she had done so. The First Lady's Friend had previously looked with favor on Thursday, Feb. 26, for a press conference, because it came about a week after the Tower board planned to issue its report. "I hope you haven't discussed that date with anybody," Mrs. Reagan said. "I'm not sure we should have a press conference."

"Why not, Nancy?" I asked. "We need one. Feb. 26 would represent a period of three months since his last press conference on Nov. 19. We can't have him talking to himself in the West Wing. It looks like we're shielding him."

"What do you mean, 'shielding him'?" Mrs. Reagan asked. "We're not shielding Ronnie; the press is just writing it that way. I wish you'd never said he could have a press conference."

"But I have said it. And there is going to be a press conference."

"O.K.!" Mrs. Reagan cried. "Have your damn press conference."

"You bet I will!" I said.

The press reported soon after this incident that I had hung up on the First Lady. That may be true, but if it is, it is only because I was quicker than Mrs. Reagan. It seemed to me that it was a race between two angry people to slam down the receiver. I really don't know who won.

Five days later the Tower board asked for yet another postponement. Now the board hoped to is-

sue its report on Feb. 26. In the afternoon Marlin Fitzwater, the new White House spokesman, told me that the First Lady had phoned him to say he didn't have to be quite so firm in defending me before the press. Fitzwater, who had been in his difficult job for only 2½ weeks, was puzzled. I explained the situation and suggested he stand back out of the way.

The First Lady had continued to advocate Jack Koehler. I was reluctant to act until the background investigation was complete. I had no premonition; I was just exercising routine prudence. The next morning, Friday, Feb. 13, the President pulled a note out of his pocket and read it. I think Frank Donatelli should be the one for the political job, the President said amiably. And this Jack Koehler ought to be the communications person. On Monday morning, Feb. 16, referring to another scrap of paper, the President raised the subject again. An hour later, the President consulted the scrap of paper again. You're taking care of Koehler and Donatelli? he asked.

"Yes, sir," I replied. "I'm taking care of that." The President crumpled up his scrap of paper and threw it into the wastebasket.

Jack Koehler was appointed director of communications on Thursday, Feb. 19. That same day NBC reported that Koehler had been a member of the Hitler Youth during his boyhood in Nazi Germany. Somehow this information had never surfaced in the pre-employment background checks. Asked for an explanation, Koehler said he had joined when he was ten years old to see whether he liked it. The Hitler Youth

was a sort of German Boy Scout movement, he explained.

This revelation was all the more embarrassing because the press already knew, as a result of leaks that had detailed the reasons for the discord between Mrs. Reagan and me, that Koehler had been the First Lady's candidate. The Washington Post reported that I had told the staff that "the 'East Wing' was responsible for an oversight in checking [Koehler's] background."

At 10:10 a.m. on Monday, Feb. 23, Vice President Bush called me into his office, which was next to mine. He said, "Don, why don't you stick your head into the Oval Office and talk to the President about your situation?"

I asked Bush why. The President already knew that I planned to leave after the Tower report came out but not before; he and I had agreed on that.

"Well," Bush replied in his usual courteous tones, "the President asked me if I knew what your plans were."

At about 10:15, I went into the Oval Office. I asked the President if he wanted to talk about my situation.

I think it's about time, Don, he replied.

I felt drained but combative. "All right, Mr. President," I said. "Why don't you tell me? Where's your head on this? What do you think I should do?"

The President leaned back in his chair, a sure sign that he was disturbed. Well, good Lord, Don, he said. This last weekend the airwaves were filled with all that stuff about Nancy. She's being blamed for Koehler unfairly. I was the one who wanted him. She never met him.

I kept silent, determined to do nothing that would make it easy for him to play this scene. He said, I think it's time we do that thing that you said when we talked in November.

In November I had told the President I would go quietly on a signal from him if at any time he thought I had become a burden. "I'll stick by that," I said. "I'll go whenever you say."

Well, he said, since the report is coming out on Thursday, I think it would be appropriate for you to bow out now.

His words shocked me. I said heatedly, "What do you mean, 'now'? You can't do that to me, Mr. President. If I go before that report is out, you throw me to the wolves. I deserve better treatment."

My temper was up; I made no attempts to conceal it but said a great deal more on loyalty and its rewards. My anger and dismay took the President aback. He was shaken and not quite sure what to do or say next. Finally he said, Well, what do you think would be right?

"The first part of next week," I replied. "Let the report come out; let the world see what really happened and where the blame lies. I'm willing to take my chances on that."

The President agreed. As we talked for a few more minutes, the subject of Mrs. Reagan's role in managing the presidency came up. Again I spoke very frankly. The President seemed surprised at what I had to say. Naturally he defended his wife. I'll bet all that took place while I was convalescing, he said.

I told him that Mrs. Reagan's activities went far beyond a sincere wifely concern for his health. "I thought I was chief of staff to the President," I said, "not to his wife. I have to tell you, sir, that I'm very bitter. You're allowing the loyal to be punished, and those with their own agenda to be rewarded."

The President, who dislikes confrontations more than any other man I have ever known, looked at me without anger.

Well, we'll try to make that up by the way we handle this, he said softly. We'll make sure that you go out in good fashion.

Even as I left the Oval Office, angry and humiliated, yet understanding the rules that Presidents and their servants live by, I believed that this President, genial and kind and good at heart, and surely grateful for the six years of loyal service I had given him, would do me no harm in my last hours at his side. In that, I was very much mistaken.

"I Feel for You, Don, but That's It"

THE TOWER BOARD'S report, the last barrier to my resignation as chief of staff, came out on Thursday, Feb. 26, 1987.

"There is no need for slashing of wrists," John Tower, the chairman, told the President when they met at 10 that morning in the Cabinet Room. Tower assured Reagan that the board had found no evidence that the President had participated in a cover-up, or authorized one.

I remained virtually silent throughout this meeting. It was

Peter Wallison, the counsel to the President, who asked what was, for me, the Sixty-Four-Dollar Question. "What about the charges that the chief of staff was in on the cover-up—is that true?"

"No," John Tower replied. "We only have one paragraph on Regan in the whole report. People are going to be disappointed when they see that there's nothing sensational about Don Regan."

Continued

8.

As Tower spoke, I had not read the paragraph in question. It said: "More than any other chief of staff in recent memory, [Regan] asserted personal control over the White House staff and sought to extend this control to the National Security Adviser. He was personally active in national security affairs and attended almost all of the relevant meetings regarding the Iran initiative. He, as much as anyone, should have insisted that an orderly process be observed. In addition, he especially should have ensured that plans were made for handling any public disclosure of the initiative. He must bear primary responsibility for the chaos that descended upon the White House when such disclosure did occur."

This paragraph is mistaken in its assumptions, defective in its evidence and wrong in its conclusions. The Tower board never interviewed a single member of the White House staff besides me about anything, much less my methods of management, and never asked me whether I had "sought to extend [personal] control to the National Security Adviser." Lacking such control, no chief of staff could have effectively "insisted that an orderly process be observed" because he would have been giving orders to a man who did not work for him. The only plan I had for "handling any public disclosure" was to discover and tell the whole truth. As to the responsibility for the chaos that descended on the White House, that appears to have been written in the stars.

On Thursday afternoon, Feb. 26, the day the Tower report was issued, Vice President Bush sent word that he wished to see me. "I guess he's the messenger," I said to my associates. At 1:30 p.m. I walked next door to his office.

"I've just had lunch with the President," Bush told me. "He asked me to find out what your plans are . . . about leaving."

My temper flared. "What's the matter—isn't he man enough to ask me that question himself? I told him I'd leave after the Tower report came out and he said O.K. Does he want me out today?"

"No," Bush said. "I don't think so."

"If I go now, I'm part of the scandal," I said. "That's what Nancy Reagan and Deaver and Stu Spencer want, but I won't have it that way. I'm determined that I will not have it look as if I'm going out because of the Tower report."

The Vice President sighed. "I know it's rough," he said. "But the President wants it to go smoothly. He mentioned that letter of resignation you showed him last October." This was a reference to my statement to the President, before the Iran-*contra* affair was exposed, that I

wished to leave the White House after the November elections. "I don't see how it's going to go smoothly," I said. "I've been hacked to pieces in the press and now, after two years as the President's chief of staff and four years as his Secretary of the Treasury, I'm being fired like a shoe clerk. I'm bitter, George, and you can tell that to the President."

Bush was embarrassed by my outburst. He attempted to console me by praising the job I had done and expressing his admiration and friendship. I did not thank him for his kindness as I should have done.

Before we parted, he raised a question about the President's schedule. I told him it was in the hands of an astrologer in San

Francisco. Bush listened to the history of my dealings with Mrs. Reagan on this question with surprise and consternation on his features. When I was finished, he uttered what was a strong expletive for George Bush.

"Good God," he said. "I had no idea."

He did not ask if the President knew about the Friend. I understood his reluctance perfectly, because this was a question I myself had never asked.

A few minutes later I asked Bush if he had seen the President since our talk. He replied, "Yes, I've told him what you told me, and the President seemed relieved."

"Did you tell him that I would be leaving next week—and did he say O.K. to that?"

"Yes," said Bush.

A weight lifted from my shoulders. "In that case," I said, "the President will have my resignation on Monday morning."

Bush gave me a sympathetic look. "I don't want you to think I'm trying to flatter you," he said. "But I think you should know that the President told me just a moment ago that he's going to miss you. He valued your frankness. He said that you always gave him both sides of any question, and if he asked for an opinion, you gave it to him straight, directly and openly."

"Then why am I being booted out?" I asked. "Why the haste? What have I done wrong?"

"It's nothing in particular," said Bush. "It's just been a wearing away. It's those attacks on you night after night on the tube and the President's seeing it after he goes upstairs. He can't stand it. He wants to make a new start."

"I understand," I said. "But I wish to hell he'd had the manliness to tell me himself instead of using you as a go-between."

"I feel for you, Don," Bush said, "but that's it."

The next morning, Friday, Feb. 27, the President greeted me and George Bush when we arrived together as usual for the 9 o'clock meeting as if it were an ordinary morning.

Reagan gave me a pleasant look and said, George told me of your conversation yesterday. That's fine by me. I said nothing. The subject was not mentioned again.

That morning, Frank Carlucci had told me that he had heard that Howard Baker, the former Senate majority leader, had already been chosen as my

Continued

47.

9.

successor. Later in the day at a meeting with the Republican leaders of Congress, the President said he thought that they would be pleased with his new chief of staff.

All this, discourteous though it was, seemed normal enough. After all, Monday would be my last day; the arrangements had been made. To get my version of my resignation on the record, in midafternoon I talked separately to Gerald Boyd of the *New York Times* and Barry Seaman and Dave Beckwith of *TIME* about my departure.

As I said goodbye to the reporters at about 3 p.m., Carlucci was waiting. He had just heard that Cable News Network was broadcasting a report that Howard Baker was the new chief of staff.

I dictated a resignation letter to my secretary. It read:

Dear Mr. President:

I hereby resign as Chief of Staff to the President of the United States.

Respectfully yours,

Donald T. Regan

Tom Dawson, my executive assistant, went down the hall with the letter. Meanwhile, Carlucci was urging me to speak with the President. "No," I said. "That would be undignified. And I don't trust myself to speak to him. I'm too mad. There's been a deliberate leak, and it's been done to humiliate me."

Carlucci said I couldn't go without talking to the President. He asked my permission to call Reagan and rushed out. A few moments later the telephone rang. It was the President.

Don, I'm terribly sorry about what's happened, he said. I didn't mean for this to happen.

I did not trust myself to reply. The President spoke again. The report was accurate, he said. Howard will be the new chief of staff. He's looking forward to talking to you.

"I'm sorry, Mr. President, but I won't be in anymore," I said. "This is my last day. I've been your Secretary of the Treasury for four years and your chief of staff for two. You don't trust me enough even to tell me who my successor is and make a smooth transfer. I deserved better treatment than this. I'm through. I'm very disappointed."

Don, listen, the President said. I intended to proceed just as we had discussed. My plan was to say that you wanted to resign in November after the elections and had in fact prepared a letter in October. Then came Iran, and so you stayed on to help in a time of trouble. I planned to let everyone know you had told me more than a week ago that you had made the decision to go after the Tower report was issued and that you are now carrying out that intention.

The President added that he still intended to make that statement.

I hope you'll go along with that, Don, he said.

I could not do it. I said, "No, Mr. President, it's over. All that's left for me to say is goodbye."

Speaking very softly, Ronald Reagan said, I'm sorry.

Although he and I have seen each other at public events, we have never to this day spoken again.

The White House
Washington
February 27, 1987

Dear Don:

In accepting your resignation I want you to know how deeply grateful I am for all that you have done for this Administration and for our country. As Secretary of the Treasury you planted the seeds for the most far-reaching tax reform in our history. As Chief of Staff you worked tirelessly and effectively for the policies and programs we proposed to the Congress.

I know that you stayed on beyond the time you had set for your return to private life, and did so because you felt you could be of help in a time of trouble. You were of help and I thank you. Whether on the deck of your beloved boat or on the fairway, in the words of our forefathers, may the sun shine warm upon your face, the wind be always at your back, and may God hold you in the hollow of His hand.

Sincerely,

Ron (signed)

In my time with President Reagan, I had seen many such letters, so I knew that someone else had written it for him. ■

48.