

Donald T. Regan plays palace politics . . . again

by Jeffrey Steinberg

White House Chief of Staff Donald T. Regan is apparently using the *Washington Post* and the *New York Times* as leak sheets for stories targeted against other ranking officials in the Reagan administration—despite recent efforts by the President and several cabinet secretaries to crack down against the use of leaks to sabotage administration policies and endanger national security.

In a June 26 telephone interview, an aide to White House spokesman Edward Djerejian confirmed to *EIR* that *New York Times* scribbler Seymour Hersh had received a White House background briefing on Panama from either Donald Regan or one of Regan's staff, who are not-so-affectionately referred to in Washington inner circles as Don Regan's "mice," just before Hersh's front-page story.

A June 12 Hersh story on alleged corruption in Panama reported that Panama Defense Forces chief Gen. Manuel Noriega has been aiding the U.S. Central Intelligence Agency by spying on Nicaragua and Cuba. The Hersh article, the first of a two-part series that carried a broadside and slanderous attack against Noriega, coincided with Senate hearings on Panama chaired by Jesse Helms (R-N.C.).

Helms has been the Senate leader of a violent campaign of Mexico- and Panama-bashing ordered from Wall Street to ensure that no debtors' cartel emerges out of the current round of debt negotiations between the banks, the Treasury Department, the International Monetary Fund, and several major Ibero-American nations.

The Hersh revelations about Noriega's assistance to the CIA are the crassest form of assassination set-up. The claim that Noriega is a U.S. intelligence asset poses a direct threat to General Noriega, who could now be targeted for assassination by the Soviets for his alleged cooperation with the CIA. According to a Defense Intelligence Agency official interviewed by *EIR*, the source of much of the material for

the Hersh article was Donald T. Regan.

The DIA official, who is intimately familiar with the Panama situation and the backroom diplomatic war that erupted as the result of the Helms hearings and the *New York Times* smears, said Regan sought to ensure himself a "credible denial" that he leaked the material by timing the leak to coincide with the closed-door Helms hearings.

Hersh's published charges of Noriega involvement in drug-running and money-laundering were sharply contradicted by officials of the U.S. Drug Enforcement Administration, both in testimony before closed-door sessions of the Helms Subcommittee on Hemispheric Affairs, and in a personal letter sent by DEA administrator John Lawn to General Noriega 24 hours after the Helms hearings.

The Lawn letter, according to an official DEA statement, praised the Panamanian general as one of the strongest U.S. allies in the war on drugs. One ranking DEA official who had delivered sealed testimony before the Helms committee pointed out, as one example, that a Panama City bank that Hersh alleged was a money-laundering spot controlled by Noriega had actually been shut down as the result of a joint U.S.-Panama investigation. The information that launched that probe, directed at the First Interamericas Bank, had come from Noriega.

On June 24, the *Washington Post* carried a front-page attack on National Security Adviser Vice-Adm. John M. Poindexter, by Lou Cannon and David Hoffman, accusing Poindexter, among other things, of having failed to adequately warn the President of the anticipated political fallout from his announcement of dropping U.S. compliance with the unratified SALT II treaty. Once again, according to the *Post* article itself, the primary source of the information was either Donald T. Regan, or senior members of his staff, the "mice."

Sources close to the administration say that the Regan

attacks against Poindexter reflect both substantive disagreements that Regan has with several recent administration initiatives, and a more general, longstanding desire to minimize the role of national security adviser. When Robert McFarlane resigned as national security adviser last December, both Regan and Secretary of State George Shultz called for downgrading the post as a means of enhancing their own policy influence with the President. It was widely reported at the time that Shultz and Regan believed that Poindexter, a career military officer, would play a low-key staff role outside the mainstream of administration policy making.

The issue in the "Get Poindexter" bid is strategic, having to do with evaluations of Soviet intentions. According to the sources, Poindexter has tended to align himself inside administration policy circles with Defense Secretary Caspar Weinberger on such decisions as the President's May 17 repudiation of SALT II, and the general upgrading of U.S. strategic assessments of Soviet intentions following the February congress of the Communist Party of the Soviet Union.

The Cannon-Hoffman knife-attack on Poindexter was based on interviews with White House "senior" staffers who insisted on remaining unnamed. The "mice" again?

Keeping security loose

Earlier this year, several major newspapers published classified "leaks" on U.S. intelligence methods used in gathering evidence of Libyan involvement in a series of terrorist bombing attacks in West Germany. In response, CIA Director William Casey called the editors of five major U.S. newspapers on the carpet and threatened prosecution under a 1950 national security law.

A case is now awaiting decision by the Justice Department against an NBC journalist, James Polk, an associate of the radical-liberal Institute for Policy Studies, who did a televised newscast leaking information about U.S. submarine spying on the Soviet Union.

In the wake of those leaks, Admiral Poindexter ordered a staff report recommending tightening of security procedures within the administration—including broad use of polygraph tests and the creation of a special FBI unit with fulltime responsibility for probing leaks damaging to national security. At a cabinet working-group meeting several months ago, Poindexter presented the staff report and recommendations. It won the enthusiastic support of Casey, Weinberger, and National Security Agency director Gen. William E. Odom. Donald T. Regan, Treasury Secretary James Baker III, and George Shultz opposed the recommendations as too severe. A stalemate resulted. Apparently, no further initiatives were taken to stop the leaks.

Not surprisingly, the public disclosure of the cabinet-level debate over the needed tightening of security came as a result of leaks—again from Don Regan's "mice"—who passed to the press the minutes of the cabinet working-group session and the text of the staff memorandum prepared for Admiral Poindexter.

California AIDS initiative certified

by Marianna Wertz

A citizens' initiative, mandating the application of public health measures to the deadly disease AIDS, was officially certified for the Nov. 3 ballot in California on June 25. The office of Secretary of State March Fong Eu released a statement to the press, stating that initiative petitions were found by random sampling to bear the valid signatures of 505,510 registered voters. As 443,219 signatures are required to qualify an initiative for the ballot, the measure was certified.

The announcement of certification came on the same day that press headlines reported to the world on findings at an international conference on AIDS, being held in Paris, that AIDS is "epidemic" in Africa, the tropics, and in the United States.

In press conferences held simultaneously in Los Angeles and Sacramento, Prevent AIDS Now Initiative Committee (PANIC) president Khushro Gandhi and vice president Brian Lantz explained what the initiative will require, if it is voted up in the November election. The measure mandates that "AIDS" and "the condition of being a carrier of the HTLV-III virus" shall "be placed and maintained by the director of the Department of Health Services on the list of reportable diseases and conditions mandated by Health and Safety Code Section 3123." The California Code provides for standard measures of public health—including population screening and quarantine—for all diseases which are so placed on its list of reportable diseases and conditions.

Hottest political issue

The PANIC Initiative, as it is called, is the hottest political item in California since Proposition 13. Its foes are attempting to portray it as the "LaRouche initiative," associating it with Democratic presidential candidate Lyndon LaRouche, founder of the National Democratic Policy Committee. Gandhi and Lantz are both officers of the NDPC, and NDPC activists gathered a large number of the signatures to qualify PANIC for the ballot.

The initiative has drawn widespread support in California and from around the nation, from those Americans who are outraged that a deadly disease is being treated as a question of civil rights, rather than a question of public health. Even in the Bay Area, with the highest concentration of AIDS victims per capita in the nation, a June 23 radio poll conducted by the largest Bay Area radio station, KGO, resulted