

The Reagangate plot: are the dominos set to fall?

by Scott Thompson

The effort by six congressional committees to replace the administrators of the Environmental Protection Agency is merely the front line in a series of scandals that have been set up like dominoes to fall. As *EIR* warned over 18 months ago, the ultimate goal of this effort is to topple President Reagan himself. This Reagangate process took on new momentum in March when a defamation campaign run by Katherine Graham's *Washington Post*, NBC-TV, and the *New York Times* succeeded within 48 hours in forcing the resignation of Thomas Reed, the unofficial deputy of National Security Council (NSC) Director William Clark.

Reed was an important member of the NSC-Defense Department group that is the principal opponent of the policy outlook within the administration associated with Henry Kissinger and his old friend George Shultz (see *EIR*, March 29). When the dust settled, Reed faced a possible grand jury probe in Manhattan. NSC Director Clark, his security chief Richard Morris, and three Defense Department officials remain under attack. Sources report that for over six months the Kissinger-Shultz group have sought to promote former Kissinger NSC adviser David Abshire, now at Georgetown University's Center for Strategic and International Studies, into Clark's post, but they have been unsuccessful because of the trust President places in Judge Clark.

The strategy for Reagangate was first outlined when the Socialist International held a meeting in December 1980 in Washington, D.C. Unofficially participating in those discussions were Henry Kissinger and Georgii Arbatov of the Moscow U.S.A.-Canada Institute. A decision was made to "Herbert Hooverize" Reagan on economic policy, while stirring up domestic unrest and pursuing every possible scandal.

Intelligence sources in Washington have confirmed that the most damaging "leaks" have been traced to the White House chief of staff James Baker III and a handful of White House staffers, most of whom are protégés of Republican Party liberal Elliot Richardson. These sources report that dramatic steps may be taken in the next month or two to shut down this "Deep Throat" operation within the White House. Prior to the Reed affair, one option said to be under consideration was for Clark to replace Baker, overseeing both policy decision-making and Reagan's re-election campaign, while Reed would move into Clark's place. Now it is believed

that Baker may himself survive whatever shakeup occurs.

To date, however, the White House has taken no steps to eliminate the "mole" network in the Justice Department that has been seeking grounds for Reagangate since the President was elected in 1980. This secret Justice Department "task force" is an amalgam of holdovers from the Robert Kennedy period and later arrivals. It is said to include John Keeney, assistant to Reagan loyalist and Criminal Division head Lowell Jensen; Richard Shaheen, head of the Public Integrity Section; and Carl Rauh, son of Fabian Democrat Joe Rauh, Jr. It was this network that worked in tandem with Kennedy hatchetman Walter Sheridan, the former head of the "Get-Hoffa Squad," to cook up reams of falsified testimony from informants in the Federal Witness Protection Program against Secretary of Labor Raymond Donovan. Sheridan was assisted in this effort with a "trial-by-press" network that includes such pseudo-journalists as Dan Moldea, a fellow of the New Left coordinating center, the Institute for Policy Studies. According to *EIR*'s sources, it was a related network in the Justice Department, associated with former FBI Deputy Director and founding EPA chief William Ruckelshaus, that sabotaged the Justice Department's defense of Reagan's EPA chief, Anne Gorsuch Burford.

Assuring Soviet superiority?

Since the December 1980 Socialist International meeting, the forces backing a Reagangate option have grown. The liberal wing of the Democratic Party, recognizing the failure of their efforts to short-circuit a Reagan re-election bid, has thrown immense congressional resources into feeding the media campaign of slander and defamation, resources assembled by party chairman Charles Manatt and House Speaker Tip O'Neill.

Every one of those targeted in the latest round of Reagangate efforts has been a proponent of a high-technology buildup of the U.S. defense capability, and every one was specifically a strong advocate of a major U.S. program to develop a space-based, beam-weapon antiballistic missile system. That wing of the nuclear freeze lobby which takes marching orders from such avowed enemies of technological proliferation as former Secretary of State Cyrus Vance and former World Bank President Robert McNamara is dedicated to

destroying this U.S. capability through its "movements," in tandem with renewed diplomacy by the Kissinger crowd, for whom "arms control" means technology control.

Henry Kissinger has developed a scheme with his former NSC adviser, William Hyland, and Paul Wohlstetter of PanHeuristics to bury the development of a modern ABM defense system through a new SALT-type negotiating tract that calls for U.S. missiles to be deMIRVed and for the development of a "mobile mini-missile," sometimes known as the "Midgetman." This would drive U.S. defense technology back at least 15 years at a time when, as Secretary of Defense Caspar Weinberger said in mid-March, "The Soviet Union is moving toward military superiority in all areas including space warfare."

Through a Kissinger crony, former National Security adviser Gen. Brent Scowcroft, who was named to head the President's National Commission on Strategic Forces (NCSF), and through former Carter Secretary of Defense Harold Brown, who is a consultant and senior adviser to the NCSF, this ridiculous "Midgetman" proposal was actually brought into the current debate within the administration on defense strategy. At least one close Kissinger associate has admitted that Thomas Reed, vice-chairman of the NCSF in addition to his NSC role, was a dedicated opponent of such proposals within the commission, which will report to the President in April on its study of future force structures.

As a whole, these factions are determined to deliver the United States in 1984 to a Neville Chamberlain regime—that is, one that would mark the virtual capitulation of the United States to the Soviet Union. The process of targeting key proponents of high-tech development within the Reagan administration can be expected to accelerate now that Mr. Reagan has made an historic speech on the need for the development of such defensive systems. In that March 23 speech, the President said: "I call upon the scientific community in our country, those who gave us nuclear weapons, to turn their great talents now to the cause of mankind and world peace: to give us the means of rendering these nuclear weapons impotent and obsolete."

'We want Clark'

The Reed investigation was first made public in the January/February issue of *Common Cause*, the magazine of the lobbying group with the same name run by freeze leader John Gardner. In the same issue, *Common Cause* announces that its Nuclear Arms Alert Network will "take up battle against the MX missile," while an article on corporate leaders supporting the freeze asks defensively, "Are these Men Soviet Dupes?" At least the *Common Cause* piece notes, contrary to more recent news coverage, that the \$427,000 Thomas Reed is alleged to have made from "insider trading" on stock options was given to eight impecunious friends. When the Securities Exchange Commission enjoined Reed from insider trading in the future, he had to pay an equivalent sum out of his own pocket into an escrow account.

The SEC never adjudged Reed guilty in the matter, and the FBI, examining the case, cleared Reed of significant wrongdoing in their report to the White House when Reed was named a member of the National Security Council staff and a special assistant to the President in January 1982. Even the *Washington Post* would have found it difficult to publish slanders of Reed were it not for the fact that John S. Martin, the Carter-appointed U.S. Attorney in Manhattan, made the unprecedented announcement there was a "preliminary investigation under way" in the Reed affair as one of his last acts before leaving office. Sources close to the investigation doubt that his successor will continue it.

Rep. John Dingel (D-Mich.), an advocate of the nuclear freeze and the man who set up Mrs. Burford in the EPA documents fight, used this as the excuse to go on a fishing expedition not only against Reed, but also National Security Council Director William Clark and his security chief, Richard Morris. A source involved in this investigation on Dingel's staff recently said: "Forget Reed, it's Clark we want."

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Sources close to Rep. James Scheuer report that the next phase in EPagate may be to seek a special prosecutor to bring criminal charges against former EPA director Burford and her assistant Rita Lavelle, the latter of whom has already been charged with contempt of Congress. The real danger to the administration lies in the appointment of William Ruckelshaus as Burford's replacement (see article, page 54).

Other members of the administration now under attack include Gen. Ed Rowny, the NSC liaison within the Arms Control and Disarmament Agency. Sources report that Rowny was set up to write a memo describing ACDA people who should be fired, a memo leaked to former ACDA Director Eugene Rostow the moment it was on paper. Some of *EIR*'s sources believe that there may be an Ariel Sharon/Moshe Ahrens/Mossad hand in the latest scandal, arguing that this faction in Israel now wants to tie up the Reagan administration with internal problems so that no Mideast peace plan can be achieved before the President must make a deal for his reelection.