

FOR THE RFCORD

FROM WALL STREET TO WASHINGTON

DONALD T REGAN

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FOR THE RECORD

FROM WALL STREET TO WASHINGTON

ALSO BY DONALD T. REGAN

A View from the Street

TO ANN

—and all the others who stood by me

Acknowledgments

Many people helped me in the writing of this book, and they deserve credit for whatever virtues it may be judged to have. Its flaws are my responsibility.

In particular, I wish to thank my wife, Ann, for her patience, devotion, and help all during our life together and especially in my final weeks at the White House, when it looked as though I was the condemned man and every meal she set before me might be my last.

When, only weeks after I left the White House, Charles McCarry agreed to help me organize my experiences and materials into a book, he stipulated that he wanted no credit or acknowledgment of any kind in return for his efforts. I am overruling his wishes in saying that no finer person could have been found for this exercise. In the face of my enthusiasms and occasional doubts he remained calm, cool, and professional. It was a great relationship.

My associate, Tom Dawson, has been a tower of strength and an inexhaustible source of energy during the seven eventful years we have been together. Tom's gift of almost total recall for persons, places, names, and dates is nothing short of phenomenal. Two other associates from government days, Bruce Thompson from Treasury and Bill Henkel from the White House, have been helpful in furnishing details and confirming recollection. Peter Wallison, who also was with me at Treasury, and was Counsel to

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the President during part of my time at the White House, has provided invaluable insight and excellent advice. Peter's associate, John Mintz, was with me during the Iran-Contra hearings and afterward.

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Norman Brokaw of the William Morris Agency is the godfather of this book and of many other aspects of the new career I have undertaken since leaving the Reagan Administration. Norman's colleagues in New York, Robert Gottlieb and Owen Laster, handled the negotiations with skill and sensitivity.

At Harcourt Brace Jovanovich, Bill and Peter Jovanovich had faith in this project from the start, my editor, Daphne Merkin, kept the faith from first to last, and Claire Wachtel coordinated a hectic production process with steady efficiency.

My assistant at the White House, Brooke Vosburgh, gave up her White House position to accompany me to private life, where she worked tirelessly to make the transition smooth and my surroundings comfortable so I could write. Brooke dedicated the better part of a year to organizing hundreds of pages of notes and manuscript while keeping the daily routine of the office running without a hitch. Kathleen McCloskey spent so many hours at the word processor that I'm sure she must have seen my scrawls in her sleep. Another colleague from West Wing days, Kathy Reid, helped check the manuscript for accuracy, and her bubbly personality, levelheaded judgment, and excellent memory kept us all on the straight and narrow.

To all these, and to others whom I have not mentioned, I am deeply grateful.

D. T. R.

Alexandria, Virginia March 1988

Foreword

"The most glorious exploits do not always furnish us with the clearest discoveries of vice or virtue in men," wrote Plutarch in his *Life* of Alexander. "Sometimes a matter of less moment, an expression or a jest, informs us better of their characters and inclinations than the most famous sieges, the greatest armaments, or the bloodiest battles."

I have kept Plutarch's observation in mind while writing this memoir of my more than six years of public service as the Secretary of the Treasury and as Chief of Staff in the White House under President Reagan, and have attempted to describe the President I served, the people I encountered in the course of that service, and the events in which I participated, exactly as I remember them.

Although I have consulted some of my own unclassified memoranda in order to verify dates and facts, I have not based this narrative on classified documents. Nothing is quoted or paraphrased from unpublished or non-public Presidential papers or other confidential White House documents. All my life I have kept detailed notes of my workaday actions and conversations, and I did the same while I worked for the President. Those contemporaneous notes, and the press, constituted my basic source material. Journalists and historians may be disappointed to hear it, but there is really no need to consult secret documents in describing the fortieth Presidency because, as a practical matter, it

kept no official secrets. In the Reagan Administration the leak was raised to the status of an art form. Everything, or nearly everything, the President and his close associates did or knew appeared in the newspapers and on the networks with the least possible delay.

Except where press reports are quoted, this book is free of hearsay. In all but a very few cases I have reported only what I observed with my own eyes or heard with my own ears. Where it has been necessary to describe an offstage event in order to make sense of the author's direct experience, I have always quoted or paraphrased the account of an eyewitness as the eyewitness himself narrated it to me personally. Direct quotations of individuals are based on my notes or my clear recollection of words spoken. Out of deference to the office and the man, I have not enclosed language attributed to the President in quotation marks except in cases where his words have already appeared in print elsewhere.

Because actions that would otherwise bewilder the reader cannot be understood in its absence, I have revealed in this book what was probably the most closely guarded domestic secret of the Reagan White House. In any other household in America, this would have been a harmless, even charming, secret; and so far as I know it did the country no irreparable damage during the eight years in which it was a dominating factor in White House business. The reader will be shocked or amused by it according to the way he already feels about a President who has inspired more affection in his admirers, and more bafflement in his adversaries, than almost any other in our history.

Between the graffito and the whitewash lies the brushstroke, and it is the brushstroke that I have striven to employ in rendering this portrait of one of the most interesting and maddening experiences of my life. The main topics—the Iran-Contra affair; the President's convictions, style, and economic philosophy; the negotiations with Mikhail S. Gorbachev; and my differences with Nancy Reagan, among others—had already been systematically salted into the press by persons acting on behalf of the President and his wife.

FOREWORD

I was not one of those people. In writing what I myself observed and did as the President's principal assistant, I have introduced no new subjects, but rather have aimed to provide footnotes, a glossary, and alternative explanations to the extensive but deeply flawed narrative that already exists in the public press. Culpability for error and irresponsibility in that untidy journalistic record certainly does not fall primarily on the press; reporters write and broadcast what they are told, and they are often told lies. Those who know the truth have some obligation to prevent lies from entering unchallenged into history.

Throughout this narrative I have been as frank as I know how to be. That, too, is the habit of a lifetime. I have described things as I observed and understood them; otherwise there would have been little purpose in writing this book. Others will no doubt remember what happened from somewhat different perspectives. They will have the opportunity to say so in their own memoirs. I hope that they, too, will be candid. The question of whether everything about the Reagan years should be on the public record was settled long ago by the President's most intimate advisers, and we must all be content to let the public and history decide where truth and justice lie.

In my opinion, this much is incontestable: the Reagan Administration, in its extraordinary accomplishments as in its apparently incurable compulsion to talk about itself through the media, has been one of the wonders of our history and a most illuminating case study of populism in action.

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PART ONE

A Case of Poison



· 1 ·

The End of the Beginning

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 and 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 believed that this person had lost her powers. The First Lady referred to the woman in San Francisco 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 United States from one place to another, or schedule him to speak in public, or commence negotiations with a foreign power.

On the telephone from Bethesda, Mrs. Reagan continued to suggest that the removal of the polyp would be delayed. "Tell Larry [Speakes, the White House spokesman] to say that the President will have surgery next week," she said. It was now Friday afternoon. "Larry can say that the polyp was larger than expected, but he mustn't say a word more than that."

Her tone was insistent and tinged with anxiety. This was not the moment to dispute the wishes of a worried wife. But I did not altogether agree with the advice she was giving me. The risks of withholding the smallest part of this story from the media and thereby creating the suspicion of a cover-up were obvious. So was the danger of making a statement about the timing of the operation that might later have to be withdrawn.

After the First Lady hung up, I called Speakes, who was already at the hospital, and told him to be very careful to tell the whole truth, or as much as we knew, but not to go beyond it.

"No dissimulation," I said. "And no alarms."

Minutes later Dr. Burton Smith, the senior White House physician, gave me the first professional report on the results of the examination of the President. He said that the growth was not malignant but could become so. My notes of this conversation describe the growth—or "mass" or "polyp" or "lesion": the ter-