

Editorial

The matter with Donald Regan

A bill of indictment is being prepared by this magazine against White House Chief of Staff Donald Regan, showing that the former chairman of Merrill Lynch oversaw the transition of the U.S. banking system into a laundromat for the nearly half trillion dollars in dope revenues generated annually by Dope, Inc. Rather than sitting at the right hand of the President, a position that has enabled him to effectively sabotage the entire war on drugs effort, Don Regan should be sitting behind bars—the first of a string of dope bankers to finally meet their just reward.

Among the points to be documented in the *EIR* package are:

- *The Merrill Lynch, Crédit Suisse, White Weld connection.* In 1978, during Don Regan's chairmanship of Merrill Lynch, the Wall Street financial house entered a series of joint ventures with the New York and Boston-based White Weld Securities and the Geneva-based Crédit Suisse. That combination now maintains virtual monopoly control over the \$140 billion per year Eurodollar market, and has used that control to provide a safe haven for hot money, largely drug revenues. Nowhere is that dope connection more clear than in the case of Crédit Suisse, which was the principal recipient of more than \$1.2 billion in dope money laundered through the Bank of Boston alone in one 18-month period between 1982 and 1983. For that crime, Boston U.S. Attorney William Weld, of the White Weld family, "won" a one count felony indictment against Bank of Boston, for which the bank paid a paltry \$500,000 fine. Crédit Suisse walked away scot free.

- *Merrill Lynch and the "Pizza Connection."* According to a November 1984 report by the President's Commission on Organized Crime titled "The Cash Connection: Organized Crime, Financial Institutions, and Money Laundering," Merrill Lynch was one of the premiere Wall Street financial institutions to open its doors to the dope mafia, both during and following Don Regan's tenure as chairman. Merrill Lynch was impli-

cated by the President's Commission in the infamous Pizza Connection, a Sicilian mafia network stretching from Palermo to Milan to the New York-New Jersey area, that flooded the East Coast of the United States with high grade Golden Crescent heroin from Iran, Afghanistan, and the pro-Soviet, separatist controlled Northwest Frontier Province of Pakistan beginning in 1981.

In effect, Merrill Lynch served as the financial arm of an opium bonanza that helps finance Khomeini's terrorists and the Soviet occupation of Afghanistan, while at the same time triggering the biggest wave of heroin overdoses in New York City in decades. One top figure in the Pizza Connection ring, Franco Della Torre, alone laundered an estimated \$20 million through Merrill Lynch—into sheltered Swiss accounts at Crédit Suisse. Della Torre, according to the Commission report, brought gym bags and cardboard cartons full of small denomination bills to a suite in the Waldorf Astoria Towers, where top executives of Merrill Lynch would regularly make pickups of the cash for deposit in the Merrill Lynch accounts at Bankers Trust. When the U.S. DEA and the Italian Treasury Police began to close in on the Pizza Connection heroin refineries in Milan and Palermo, at least 20 law enforcement agents and informants were murdered to cover the trail. Italian sources are convinced that the recent prison death of Vatican banker Michele Sindona was the most recent assassination ordered to protect the Pizza Connection.

- *Don Regan sought to sabotage the drug interdiction program while treasury secretary.* On Feb. 28, 1984, Don Regan was grilled by a Congressional Committee after he cut \$18.8 million out of drug enforcement funding, in order to increase his office renovation account. The funds then-Treasury Secretary Regan slashed from the Customs budget were earmarked for 14 radar surveillance planes, designed to locate and help interdict aircraft illegally carrying narcotics into the United States.