

PHIL STANFORD

Snowbound in the White House

PETER BOURNE, YOU WILL recall, was Jimmy Carter's chief adviser on drug policy. That is, he was until July 1978, when he resigned after being caught writing a phony prescription for Quaaludes for one of his assistants. Under federal law, this is a felony. What really did Bourne in, however, was the charge, which surfaced the day following the Quaalude story, that in December 1977—seven months earlier—Bourne had used cocaine at a party held by the National Organization for the Reform of Marijuana Laws, or NORML. Before the story of the cocaine incident was made public—first by Jack Anderson on television, and then by the *Washington Post*—Bourne had actually intended to ride out the public storm. But, as Bourne said at the time, "When I got up this morning and looked at the papers, I knew what I had to do." Declaring his innocence on all counts, Bourne resigned. In his letter to Carter he suggested that he was a victim of politics. "I now clearly recognize that I am an instrument through which others attempt to bring disfavor to you," he wrote.

However, before he left town, Bourne allowed himself a few parting words. Of course he wasn't guilty, he told a reporter for the *New York Times*, but he happened to know that there was a "high incidence of marijuana use" and "occasional use of cocaine" by other members of the White House staff. Naturally, this created another minor media tempest. Reporters for the *New York Times* actually started calling White House offices to ask people there if they used drugs. ("Yesterday, seven junior members of

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the White House staff said they smoked marijuana regularly in their leisure hours and were directly and indirectly aware of the use of cocaine by some of their colleagues.") The *Times* also published an article citing the statistics on the use of marijuana and cocaine in the United States (according to a 1978 Gallup poll 44 percent of all Americans between the ages of 26 and 34 have tried marijuana) and quoted a doctor, Lester Grinspoon of the Harvard Medical School, on the more specific question of White House participation in the national sport. Said Grinspoon, "If there were no use of marijuana and cocaine in a group of young people with the kind of educational and social background White House people have, that would characterize them as rather unusual in the United States today."



And then, rather abruptly, the whole issue dropped out of sight.

Part of the reason may have been the memo that Carter sent to all his senior aides, reminding them that it was their duty to obey the law whether they agreed with it or not. Part of the reason may have been the White House's own finding, rather convenient under the circumstances, that no further investigation of the matter was called for. And part of it, one can reasonably assume, was Jody Powell's thinly veiled threat to retaliate against the press if it pushed the issue any further. The press, Powell said, was engaged in a hypocritical "witchhunt," and it had better watch its step. "All of us are not going to be in public life forever . . . having to bite our tongue when we see this sort of thing

going on." Whatever the reason, the press moved on.

AND NOW HAMILTON Jordan, Jimmy Carter's White House chief of staff, has been accused of snorting coke. Not once, mind you, but on two separate occasions. The first incident (in the order the charges were made public) is alleged to have occurred in June 1978 at the chic New York discotheque called Studio 54. The accusation was made by two owners of the discotheque who are currently under indictment on charges of not reporting \$2.5 million in income to the IRS. The second incident actually involves a couple of parties Jordan attended in Los Angeles in October 1977. For a time, the star witness in this, the West Coast episode, was one Lana Rawls, who said she met up with Jordan's party at a Beverly Hills nightclub and, at the request of one of the members of the group, purchased \$500 worth of cocaine for them. According to Rawls, the party, including Jordan, used the cocaine at the nightclub and later at a hotel. At least that was her original story. According to her lawyer, she now says that she has no "direct evidence" that Jordan used the cocaine himself (although, if the news stories are to be believed, she does not deny that she bought the cocaine for the group).

Another party took place the following night at the Beverly Hills home of Leopold S. Wyler, a wealthy industrialist who at the time was a supporter of the newly elected President. However, as Wyler told interviewers this September, he was "appalled" at the conduct of the Carter staff members who came to his home. "I'm sure they were using drugs," he said. "They kept going in and out of the bathroom, and I heard people being offered 'hits' of cocaine." Wyler, who is currently involved in an effort by liberal Democrats to unseat Carter in the next election, also told CBS television that he found the behavior of the Carter staff members at the party "licentious."

Jordan denies all the charges. In fact, he says he has never used illegal drugs. Rosalynn Carter has told the press that she believes in Jordan's innocence and considers the White House chief of staff to be "a very clean-cut, very decent young man." Jordan's close friend John Golden, who was with Jordan in Los Angeles, has told the press that not only has Jordan never used drugs, but that he himself has never used illegal drugs in Jordan's presence. The problem, as various spokesmen for Jordan and the

White House contend, is that people are out to get Jordan. To use Pat Caddell's words, the charges have come "out of the woodwork from characters with suspect motives." Jody Powell contends that the charges, especially those by Wyler, are politically motivated, part of the "dump Carter movement."

Perhaps this is a predictable excuse. However, that doesn't necessarily make it false. To see why, it is useful, once again, to refer to the Peter Bourne affair.

AS I'VE SUGGESTED, THE effective cause of Bourne's resignation was the news reports that he had used cocaine at a party thrown by NORML in July 1978. Bourne (and a number of White House aides) had been invited to the party because at the time the Carter administration—and Bourne in particular—were considered friendly to NORML's cause. By all accounts, it was a terrific party. Six hundred people attended. There was champagne, jugglers and rock bands provided entertainment, and there was plenty of dope. Two members of the NORML staff spent the entire day before the party rolling joints.

According to the accounts I have heard, after Bourne arrived he was invited upstairs to a more private party that included perhaps twelve to twenty chosen guests. NORML director Keith Stroup was among those present. Someone passed around a vial of cocaine and Bourne snorted some of it through a rolled-up dollar bill. No one thought much more about it—except perhaps to muse how nice it was to get high with the President's chief drug adviser—until seven months later.

That is when Stroup dropped a dime on Bourne. He told reporters that he had seen Bourne use cocaine, an illegal narcotic, at a party. Why did Stroup turn on his guest? During the intervening months, Bourne had taken an increasingly hard line against marijuana. He had even supported the spraying of Mexican marijuana fields with Paraquat. So when the opportunity presented itself—Bourne was caught writing the phony prescription—Stroup played his card. It worked.

Stroup was subsequently censured unanimously for this act by NORML's board of directors. He has since resigned and is now practicing law here in Washington. With Patrick Anderson, the former Carter speech writer, he is writing a book about his experiences as a lobbyist for the legalization of marijuana—including, he says, a full chapter on the

NORML party.

Stroup's role as an informant in the Bourne case is generally known. We should not, however, overlook the part played by journalists. As it happens, the primary informants in the Bourne case were journalists—one on the staff of Jack Anderson and the other on the *Washington Post*. Both were in a very good position to know what went on at the NORML

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party because both were there. Clearly, neither was there as a journalist. Presumably, they were both enjoying themselves; it was, in any case, the wrong place to go if they were looking for an ice cream sundae.

The journalist from Jack Anderson's staff was a 26-year-old reporter named Gary Cohen. Actually, Cohen was not in the room where the private coke party took place; he was downstairs. However, he learned about it immediately after it happened. Why did Cohen decide to turn in his report seven months later? "I wasn't sure whether I ought to write the story or not," he told a reporter for the *Times*. "I felt awful about it, but when I heard that the *Post* was going after it, I knew it was going to come out anyway and so I wrote it." Over the telephone, Cohen told me that he knows a number of other top White House aides who use drugs, but he refuses on principle to pass their names along for his boss to use in his column.

There were also two *Washington Post* reporters in the room with Bourne that night. One of them was the source of the *Post's* story. In the *Post* account he was identified only as "the witness"; no mention was made of his connection with the *Post*. I have not yet been able to verify his name. And who knows what his motives might have been. A raise? An edge in the scramble for promotions? A smile from Ben Bradlee? Tom Zito, who admits to being the second *Post* reporter in the room, says he refused when an editor asked him to talk for the record about

the events of that night. He also refused to name the other *Post* reporter. Perhaps we shall learn the identity of "the witness" when Stroup and Anderson publish their book. And why not? As another Georgian, Greg Allman, can tell you, this is a very dirty business. At this point, Jordan would hardly disagree.

THE USE OF DRUGS, ESPECIALLY marijuana or cocaine, is probably Washington's worst-kept secret. Do members of the Fourth Estate use drugs, as Jody Powell suggested during the Bourne incident? Of course we do. I know any number of newsies who smoke dope and snort coke; I even know some who don't. The same goes for members of other professions. The proportion of users here is probably about the same as the national average; if anything, it is higher, because, as the polls seem to show, the incidence of use increases with income and level of education. Newsmen do it; lobbyists and activists do it; bureaucrats do it; congressmen do it; even—let us frankly state the obvious—White House staffers behind closed doors do it. So what?

The only difference between the inhabitants of official Washington and those of any other city is, besides what might be described as a general rigidity of character, their obsession with power and position. But add to this the threat of blackmail, which is inherent in all victimless crime, and something quite new and entirely unappealing emerges. Hamilton Jordan, through his spokesmen, claims that he is being persecuted for political reasons. Whether he is guilty or innocent of the charges made against him, this possibility cannot be lightly dismissed. It does seem significant that the offenses he is alleged to have committed, one in October 1977 and the other in June 1978, were not reported earlier. (To place this in even clearer perspective, both dates fall *before* the Bourne incident.) It is also true that Leo Wyler, who has accused Jordan of using cocaine at his Beverly Hills home, is now a political enemy and a supporter of Ted Kennedy for President. The political connection in the other incident is more speculative. Mitchell Rogovin, the lawyer for the two Studio 54 owners, is also a longtime Kennedy man. This may be a coincidence, and then again it may not.

Drug laws have always been enforced selectively, usually against unpopular groups and individuals, often for political reasons. What we are witnessing is not an aberration. □

CORPORATE STATE

PAUL N. MCCLOSKEY, JR.

Sinking maritime subsidies

THE RECENT HISTORY OF the U.S. shipbuilding industry offers a clear and convincing demonstration of the ultimately destructive impact of protectionist economic policies. For more than one hundred years, Congress and successive administrations have been accustomed to yielding to the industry's demands for insulation against market competition; during that same period the shipbuilding and associated maritime industries have been in a continuing state of decline that was interrupted (and thereby saved) only by the onset of world wars. In the past, maritime seapower needs required massive shipbuilding efforts; future wars, even those not ending in nuclear exchange, would not seem so demanding.

Recently, despite billions in federal shipyard subsidies and "Buy American" laws, U.S. shipyard decline has been accelerating; observers agree that U.S. shipbuilding is now at—or past—the brink of disaster. Ed Hood, head of the Shipbuilders Council of America, testified to the House Merchant Marine Subcommittee last spring that of the present twenty-six major U.S. shipyards capable of building ships at least 800 feet long, only eight would be operating by 1985 unless U.S. laws were changed. In the face of this impending collapse, the House of Representatives last summer began considering legislation that could change the policies that have so clearly failed. But the industry's lobbyists are already hard at work to forestall any such change, arguing that the best remedies for the present protectionism-

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induced malady are even greater subsidies and protectionism. These lobbyists' track record of success is virtually unbroken, inasmuch as they attract the support of the so-called Steel Caucus and Port Caucus—enough votes in Congress to generally constitute a majority.

The British shipbuilding history is an example of the failure of protectionism.

For a brief moment in the 1850s, the American merchant marine fleet almost replaced that of Great Britain as the largest on the seas. U.S. shipbuilders, using the abundant timber from our forests and the skills of a productive, nonunionized, well-paid labor force, were turning out high quality ships at the lowest prices anywhere. Our clipper ships were the fastest vessels on the water, breaking speed records on almost every voyage. Our merchant fleet carried two-thirds of the nation's rapidly growing foreign commerce, and was competing aggressively for sea trade around the world.

For the U.S. to supplant the British would have been a remarkable feat. Britannia had been the world's preeminent sea power for centuries and controlled the trade of a vast empire; we were younger, smaller, and had no colonies at all. But British shipowners were burdened with restrictions designed to protect domestic shipbuilders by obliging them to buy British-built ships, then substantially more expensive than U.S. ships. Higher ship prices meant higher capital and operating costs, and thus obliged them to charge higher, less competitive shipping rates. British shipowners complained bitterly about this restriction, but the government was unwilling to take on the politically powerful shipbuilders. Instead, the shipowners were placated by being granted monopolies on the trade of the empire.

The empire and its cargoes were big enough to support a sizable fleet, but the empire was not the world, and outside the empire the upstart Americans were rapidly gaining influence, sailing everywhere in their cheaper, faster ships, winning cargoes and carrying them off. At the peak of the American surge, our fleet was 90 percent as big as Britain's.

With the transition to steam power and steel ships, however, and with changes in British law and policy away from protectionism, the tide turned against the U.S. merchant fleet and against our shipyards.

Britain repealed its restrictive maritime policies in the early 1850s; its shipowners, now free to buy ships wherever they could get the best price and de-

prived of their trade monopolies, fought to stay competitive and succeeded. They bought many American ships, stimulating a brief spurt of production in U.S. yards, but in those years the wooden ship was rapidly being replaced by iron

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and steel vessels. Development of the U.S. steel industry lagged behind Great Britain's and British owners were soon able to buy the best and cheapest steel ships at home.

During the Civil War many U.S. ships were sunk or sold abroad, but most damaging to the U.S. fleet was the fact that U.S. maritime laws retained some of the same protectionist restraints the British had just repealed; most important, U.S. shipowners were required to buy U.S.-built ships. When American shipbuilders had been the best and cheapest in the world, this was not a problem, but with the coming of steel ships, the "Buy American" restriction became a burden, and it remains one. This restriction is an easily recognizable contributor to the recent bankruptcies of Pacific Far East Lines and the States Lines. With few exceptions, American shipbuilders have never reestablished the levels of productivity that characterized the industry in its early period; with the cushion of the "Buy American" policy, they have not been obliged to.

Freed from protectionist restraints, the British merchant marine after the American Civil War grew phenomenally—especially considering that it was the largest in the world to start with. By the early 1900s, British merchant ships had captured fully half of the entire seaborne trade of the world. In the meantime, the U.S. fleet's share of American foreign trade, a trade that had continued to grow rapidly as the nation kept expanding, had fallen from 76 percent in the 1850s to an embarrassing 10 percent by the beginning of World War I. The danger of this dependence on foreign shipping was clearly shown when, at the beginning of hostilities, Britain and