

Nixon Sought 'Ruthless' Chief To 'Do What He's Told' at IRS

Tape Includes Mention of Pursuing Enemies

1-3-97
By George Lardner Jr.
Washington Post Staff Writer

The discussion in the Oval Office on May 13, 1971, was short and to the point. President Richard M. Nixon was enunciating his standards for a new commissioner of internal revenue.

"I want to be sure he is a ruthless son of a bitch, that he will do what he's told, that every income tax return I want to see I see, that he will go after our enemies and not go after our friends," Nixon told his top aides, H.R. "Bob" Haldeman and John Ehrlichman. "Now it's as simple as that. If he isn't, he doesn't get the job.

"We've got to have somebody

like that for a change in this place."

The exchange is part of the 201 hours of secretly recorded Nixon tapes recently made public by the National Archives.

The leading candidate for IRS chief at that moment was widely believed to be John S. Nolan, deputy assistant treasury secretary for tax policy. Treasury Secretary John B. Connally was backing his appointment as a highly regarded tax professional. But Attorney General John N. Mitchell had another nominee in mind: Johnnie M. Walters, an assistant attorney general in charge of the Justice Department's tax division.

See NIXON, A21, Col. 6

NIXON, From A1

Nixon said he didn't know Walters, but Nolan, it was plain, would not pass muster at the White House. Ehrlichman had inquired about Nolan in light of the Nixon standards and found him wanting.

"I am assured that Nolan will not play that game, for fear of offending the bureaucracy," Ehrlichman said.

Nixon said he understood, but what was bothering him was "what the stinking little bastards" at the Internal Revenue Service did when the Democrats were in charge. The president complained angrily, as he did later in his memoirs, about IRS investigations during the Kennedy administration of prominent Republicans—including an exhaustive audit of Nixon's tax returns in 1963.

"Bob, you remember, when Kennedy ordered them to go after me for that goddamn house I bought, huh," Nixon told Haldeman.

"And after Finch," Haldeman said, referring to presidential counselor Robert H. Finch, a longtime Nixon friend and adviser who had managed

Nixon's unsuccessful 1960 presidential campaign against John F. Kennedy. "They went after Finch."

"Now," Nixon vowed, "they're not going to do it to us here." What he wanted to know was "when the Christ are they going to go after some Democrats?"

Haldeman said he saw nothing wrong with that. "It isn't a matter of doing anything against the law," he told Nixon. "It's a matter of using the law to its full—to our benefit rather than someone else's."

"That's it," Nixon agreed. "We want a lawyer in there who will tell us how to do things and not that we can't do things."

Walters, a Republican from South Carolina, was nominated as IRS commissioner the next month and confirmed a few weeks later, but he never did what Nixon wanted. Walters said this week in an interview that he didn't even know what was expected of him until White House counsel John W. Dean III summoned him to a meeting on Sept. 11, 1972, and handed him the famous "enemies list" of hundreds of people the White House wanted the IRS to investigate—staff members and leading contributors to the flagging presidential campaign of Sen. George McGovern (D-S.D.).

"I was so shocked," Walters said. "During the Kennedy years, things were done that shouldn't have been done. But this would have ruined the entire tax system. I said, 'John, do you realize what you're doing? If I did what you asked, it'd make Watergate look like a Sunday school picnic.'"

Dean winces, even today, at hearing the list described, as it often is, as "the Dean list." The list was actually drawn up by Murray Chotiner, a veteran Nixon operative. Ehrlichman gave it to Dean with instructions to "have IRS audits conducted on these people." Dean, the designated White House point man with the IRS, said in an interview that he knew Walters wouldn't do it, but he went through with the drill as ordered.

Dean said he tried to make it clear to Walters "that I was unhappy in conveying the message," but Walters said he didn't get that impression. He said he told Dean that compliance would be disastrous and recalls Dean telling him at some point: "The man I work for doesn't

like somebody to say no."

Walters was determined to do just that. With the backing of then-Treasury Secretary George P. Shultz, he put the list in a sealed envelope and kept it in a safe until the following year, when he turned it over to congressional investigators.

Nixon was informed of their recalcitrance at an Oval Office meeting on Sept. 15, 1972. In testimony at the 1974 House impeachment hearings, Dean remembered the president declaring angrily that "if Shultz thinks he's been put over there to be some sort of candy ass, he is mistaken." (The remark has been deleted by archivists from the tape of that session on grounds that it would be an unwarranted invasion of Shultz's privacy.) For his part, Walters said he understands that Nixon at some point demoted him to just plain "son of a bitch."

"That's one of the things I'm proud of," Walters said.

"Johnnie has been a, a disappointment," Dean told the president at the Sept. 15 meeting.

"Well, he's going to get out," Nixon said. "He's finished . . . out." Exasperated, Nixon said this was a problem throughout the government: "A lot of our people come in here and they start sucking around the Georgetown set, all of a sudden they're just as bad as the others."

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