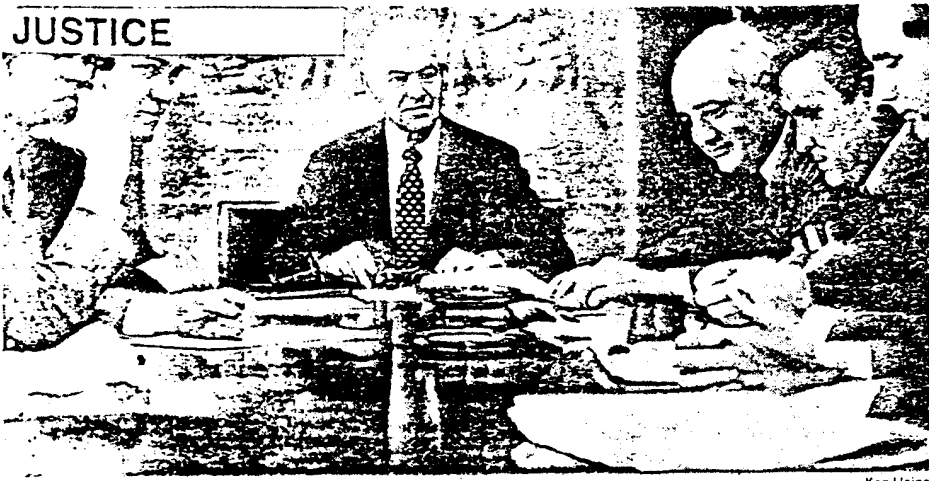


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JUSTICE



Smith with his inner circle: 'He's not a hard-charging Cabinet officer'

The A.G. Comes to Judgment

William French Smith came to Washington known only as Ronald Reagan's personal lawyer, a bland boardroom politician with a decent tennis serve. Now, ten months after Smith took the helm at the U.S. Department of Justice, describing the new attorney general has become a Capital Rorschach test. To the extreme right, he's running an agency still in the grip of radical leftists. To liberals, he seems determined to remake civil-rights law in his conservative image. As senior White House aides see it, he has mastered enough of his job to win grudging respect; in labor law and immigration, for example, Smith is considered as sharp as a managing partner. In areas that have yet to gain his full attention, however—notably national security—he is still uncomfortably weak.



Smith's tenure has gone through two stages. He started slowly, spending much of his time building an inner circle; Justice hit the ground creeping on Inauguration Day. "We had a low profile," admits Smith, "because we were doing low-profile things." But to Washington's snipers, a figure bent over his task often makes the best target. Before long, Administration aides took potshots from behind the cover of blind quotes ("Has he woken up yet?" cracked one), leaving the impression that there was a vacuum at Justice that competitive agencies could exploit. Some tried. A committee at the Central Intelligence Agency proposed an Executive order that would have sharply trimmed Smith's oversight powers. And Reagan's budget cutters proposed major cuts for law enforcement even as the President prepared

In the spring Smith pushed back. "He's not a hard-charging Cabinet officer," says one official. "But when he fights, people get out of his way." He met with Reagan—whom he still calls Ron when they're alone—and the President's top men, James Baker, Michael Deaver and Edwin R. Meese, to bring a halt to what he called "the character assassination." Armed with a pocket calculator, he dueled with budget director David Stockman and eventually won a concession that law-enforcement agencies would be immune from further budget cuts in 1983 and '84. He was the point man for Sandra O'Connor's appointment to the Supreme Court. And he emerged from a seven-month immersion in immigration law with a controversial package of changes aimed at restoring order to a policy that is clearly in disarray.

Smith made immigration his personal issue. The plan he announced last August was introduced in Congress two weeks ago. It calls for slowly conferring legal status on millions of aliens now considered illegals, creating a "guest worker" program for Mexicans and, for the first time, penalizing employers who break the rules. Also, if Congress approves, the President would have emergency powers to ban travel by American citizens and vessels. "This proposal developed only because Smith mastered the area," says Associate Attorney General Rudolph Giuliani. "It would not have been possible if he had spent his time blowing his horn."

Smith faces more formidable problems in the bare-knuckle world of managing spies. As Attorney General, he has two distinct

spy-war veteran. "You have to be experienced and an alley fighter."

Downgrade: Smith got a taste of intelligence hardball last March, when a CIA-initiated executive order was circulated giving the agency permission to spy within the United States and sharply downgrading Justice's authority. When Smith learned of the proposal, he and FBI director William Webster complained to the White House; more drafts were ordered. The latest, leaked last month, continues the FBI's control over domestic bugging and searches, but gives the CIA the power to infiltrate domestic groups and trail law-abiding Americans abroad. Although this version is likely to be modified during negotiations with Congress, it marks a victory for CIA director William Casey.

Smith has had his own way on civil-rights policy. Reagan's campaign rhetoric included repeated denunciations of busing for school integration and affirmative-action programs. Justice has followed that lead, although not fast enough for right-wing critics. The head of the Civil Rights Division, William Bradford Reynolds, has flatly disowned any future use of forced busing. "Blind allegiance to an experiment that has not withstood the test of experience obviously makes little sense," he says. Instead, Reynolds plans to focus on the quality of education offered, relying on such devices as magnet schools or voluntary student transfers to bring about desegregation.

The problem with the new strategy, say civil-rights activists, is that the law of the land requires more aggressive measures than better curricula. They cite Supreme Court decisions which say that school districts found guilty of discrimination must adopt corrective remedial measures; busing, the justices have held, is a permissible and sometimes necessary tool. "The Smith people," says Robert Reinstein, a law professor and former Justice attorney, "are approaching civil-rights enforcement on the basis of what they would like the law to be rather than what the law is."

Quotas: Indeed, Reynolds is freely conceding territory that has been hard won in court battles. For instance, he will no longer use the court-made rule that if one part of a school system is found to be illegally segregated, the local school district has the burden of proving that the rest was not—a presumption that has led to citywide integration orders. Also, in their denunciation of hiring quotas, Reynolds and Smith have raised the possibility of bringing reverse-