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Administration Tries Again With Webster:**Gates' Nomination to Head CIA Withdrawn**

President Reagan finally has found a candidate for the CIA directorship who will accept the job and can be confirmed by the Senate.

Reagan March 3 announced his intention to nominate FBI Director William H. Webster to be the new director of the CIA. Webster would succeed William J. Casey, who resigned for health reasons.

The president a day earlier had withdrawn his controversial nomination of Robert M. Gates to fill the position. Currently the agency's acting director, Gates had encountered growing opposition in the Senate because of questions about his involvement in the Iran-contra affair. Administration and congressional sources said Gates had asked that his nomination be withdrawn to avoid a protracted battle that could damage the CIA.

Webster said he hoped Gates, a career CIA official, would resume his former post as deputy director.

Reagan has not yet announced a successor for Webster at the FBI.

The withdrawal of Gates and the nomination of Webster both were hailed on Capitol Hill. David L. Boren, D-Okla., chairman of the Senate Intelligence Committee, commended Gates for his "unselfish spirit"; Boren and committee Vice Chairman William S. Cohen, R-Maine, praised Webster in a joint statement as a man widely respected for "high standards of personal integrity as well as for his professional ability." (*Webster profile*, p. 419)

The committee leaders said confirmation hearings could be held as early as the second week of March.

Reagan ran into trouble filling the CIA post — one of the most important in the government — in the weeks after it became clear that Casey would not recover sufficiently from brain surgery to resume his responsibilities.

First, former Sen. Howard H. Baker Jr., R-Tenn., said he did not want to be considered for the job. Once Gates was nominated, opposition snowballed to the point that Senate Republicans doubted he could be confirmed. Then another retired senator — John Tower, R-Texas — rejected at least two White House re-

—By John Felton

quests that he fill the post. Webster accepted Reagan's offer March 3, after asking for several hours to think about it.

Baker on Feb. 27 accepted Reagan's offer to be White House chief of staff. In that position, he promoted Webster for the CIA job.

From Gates to Webster

Like the choice of Baker for the White House post, the selection of Webster appeared to be intended as much to shore up political support for the president as to put a capable individual in an important post.

In the four months since the Iran arms sales became public knowledge, throwing his administration into turmoil, Reagan has been able to take only a few actions to demonstrate that he is in charge. The nomination of Gates — a respected intelligence professional — was meant as one such step. But Gates damaged himself dur-

"A lesser man might have tried to hang on."

—Sen. David L. Boren, D-Okla.

ing confirmation hearings in mid-February; senators said he came across as a man more interested in protecting his own career than in getting to the bottom of CIA involvement in the Iran-contra affair. (*Background, Weekly Report pp. 358, 309, 229*)

Republican leaders told Reagan Feb. 27 that the Gates nomination could not be salvaged without a long fight, and so the White House set out looking for an alternative. Recognizing political reality, Gates went to the White House twice on March 2, first to meet with Baker and then to ask Reagan to withdraw the nomination.

Baker sought out Tower, who had chaired the three-member commission that issued a blistering indictment of the administration's actions in the Iran-contra affair. Tower refused the CIA post, reportedly saying he wanted to return to teaching in Texas, and so Baker and Reagan turned to Webster. The FBI director accepted the offer shortly after 6 p.m. on March 3, and the White House made an immediate

announcement in time for the evening television newscasts.

In a statement announcing the nomination, Reagan said Webster "is well known as a man of honor and integrity" — a prime qualification in the wake of a scandal that featured possibly illegal activities and failures of duty by administration officials.

Immediate congressional reaction to the nomination also focused on Webster's reputation for integrity. Boren and Cohen, for example, referred to Webster's background as a federal judge, which, they said, "gives him a deep understanding of the law and the appropriate roles" of government agencies.

Although he has headed the FBI — the nation's most important domestic investigative agency — for nine years, Webster has little experience in foreign policy and intelligence gathering. He currently is responsible for counterintelligence and counterterrorism efforts in the United States, but those matters have little direct bearing on most CIA responsibilities.

In the past, Webster has taken several stands at odds with more conservative administration officials.

He reportedly argued in 1981 against a White House proposal that would have lifted many restrictions President Carter had imposed on domestic and foreign intelligence gathering. In 1984, he publicly opposed a proposal by Secretary of State George P. Shultz that the United States create secret military units to carry out pre-emptive attacks against terrorist groups; he issued a statement saying the United States "cannot do things that in a later, more sober, time will appear reprehensible." And last year, Webster reportedly opposed a CIA and White House plan to have Reagan authorize the CIA to kidnap terrorists overseas and bring them to the United States to stand trial.

Webster has not yet made known his views on Reagan's most controversial policies administered by the CIA: supposedly "covert" aid to anti-government guerrillas in Nicaragua and Angola. As CIA director, Webster will be responsible for managing the remainder of a \$100 million contra aid program and annual aid of at least \$15 million to guerrillas in Angola.

Congress Quick to Welcome Webster Appointment

From a congressional perspective, President Reagan could hardly have found a better choice to head the CIA than William H. Webster, the 63-year-old former federal judge who now runs the FBI.

Although Webster has had his disagreements with some members of Congress, they uniformly praised him after Reagan announced his appointment March 3.

The words most commonly used on Capitol Hill to describe Webster were "integrity" and "intelligence," and they reflected the sense in Congress that he had taken an agency tarnished by the Watergate scandal and restored its sense of purpose and professionalism.

In addition, there was a recognition that during the last six years, Webster opposed administration initiatives when he believed they were unwise and unworkable. (*Story, p. 418*)

Webster's successor had not been named as of March 6. At a Senate Judiciary Committee hearing March 4, Attorney General Edwin Meese III said he had just begun a search of nominees to present to the president. He told senators, "If we could clone Bill Webster, we'd be able to have the person instantly."

Webster's successor will serve a 10-year term; Webster's own tenure would have expired next year.

In his years at the FBI, Webster changed the emphasis from investigating bank robberies and stolen car rings — an interest of J. Edgar Hoover — to greater involvement in drug offenses and political corruption.

It was in the latter area that Webster had run-ins with Congress, particularly over the 1979-80 "Abscam" sting investigation. Several members of Congress were videotaped by the agency during the bribery probe. (*1980 Almanac p. 513; 1981 Almanac p. 383*)

Many members and civil libertarians were angered and accused the FBI of entrapment. But Webster defended the agency's work, and six representatives and one senator were subsequently convicted.

"We had our disagreements with him, chiefly on stings and undercover operations," said Don Edwards, D-Calif., chairman of the House Judiciary Subcommittee on Civil and Constitutional Rights. The panel has oversight authority for the FBI, and Edwards has had more contact with Webster than virtually any other member.

Edwards said that Webster always had been "forthright" with the committee. "He understands due process and civil liberties," Edwards added.

Although there has been an increasing concern about terrorism, Edwards credited Webster with moving carefully in this area to keep a "low profile" on government activity. The result, he said, was "no hysteria."

"From day one [the Reagan administration] wanted to trace every act of terrorism to the Soviets," Edwards said, "and Webster would always say, 'No, there are eight or 10 sources of international terrorism that we are watching.' . . . I think that's the star in his constellation."

When President Carter picked him for the FBI in 1978, Webster was a federal appeals court judge in Missouri. (He still likes to be called "Judge.") He also had served on the federal district court in St. Louis, and prior to that, was a U.S. attorney there.

While Webster has little foreign policy experience, members of Congress believe he will be able to step into the CIA job without difficulty. Sen. Orrin G. Hatch, R-Utah, a member of the Judiciary and Intelligence panels, noted Webster's "extensive experience in the system that produces classified information."

A man of patrician bearing with a longtime fondness for classical music, Webster demonstrated a lighter side when, at the prompting of his children, he became a fan of pop singer Olivia Newton John. More recently, he discovered the Judds, a mother-daughter country duo, and spent an evening with them during one of their Washington-area visits.



FBI Director Webster

Questions for Webster

Webster likely will encounter questions from the Senate Intelligence Committee on his response to administration actions last fall when news of the Iran arms sales was breaking.

The most controversial issue is whether the Justice Department improperly sought last year to halt a bureau investigation into aspects of the Iran-contra affair. Attorney General Edwin Meese III — acting on a request by national security adviser Vice Adm. John M. Poindexter — asked the FBI in late October to delay for 10 days its probe into Southern Air Transport, an airline that was used to

supply privately purchased weapons to the contra guerrillas.

A Justice Department spokesman later said the request — to which the FBI agreed — was made because Southern Air was to be involved in a "sensitive mission" to the Middle East that was "critical to the release of American hostages."

The request came about the time the United States and Israel completed the final shipment of anti-aircraft missiles to Iran, apparently using Southern Air. A week after the shipment, pro-Iranian groups in Lebanon released an American hostage, David Jacobsen. (*Weekly Report p. 350*)

The delay in the FBI probe of Southern Air ended up lasting until late November. Independent counsel Lawrence E. Walsh now is investigating both Southern Air's involvement in the contra supply network and the delay in the FBI probe.

Webster also will face questions about his agreement with Meese last Nov. 21 that FBI agents were not needed to conduct a preliminary investigation into the Iran arms sales. Meese and Webster both have said they agreed at that point that there was no evidence of illegal activity. Meese then conducted a four-day inquiry that uncovered evidence that

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money from the arms sales might have been diverted illegally to the contras. The FBI entered the investigation Nov. 26, the day after Meese announced the alleged diversion.

Appearing before reporters at the White House March 4, Webster refused to discuss either matter in detail, saying the Senate "deserves the first opportunity" for questions. But he did defend the Nov. 21 decision not to involve the FBI in an investigation, saying Meese was merely trying at the time "to reconcile various statements" made by administration officials.

Gates has told the Senate Intelligence Committee that Meese began the inquiry after hearing CIA and National Security Council (NSC) officials dispute key facts about the Iran arms sales. There also have been reports that Shultz prompted Meese's inquiry by complaining directly to Reagan that congressional testimony being prepared for Casey's use was not true in significant respects.

Gates Refutes Charges

Despite his controversial actions and statements, Gates won praise from senators for his decision to withdraw rather than face a prolonged political battle. "A lesser man might have tried to hang on," Boren said.

Senate leaders also called Gates a victim of circumstances: an official who probably would have been confirmed had Congress and the administration not been consumed by investigations involving the agency.

Even before the Gates nomination started to fall apart, Boren said in an interview that an outsider probably would have had an easier time being confirmed than an official who was tainted by the Iran-contra affair.

In the days before withdrawing his nomination, Gates made two last-ditch efforts to shake off the persistent charges that last fall he failed in his responsibility to help unearth facts about the Iran-contra affair. At Gates' confirmation hearings, Intelligence Committee members questioned his diligence during the months before and after the disclosure last November that the United States had been selling arms to Iran.

Gates Feb. 25 sent the committee a "supplement" to written answers he had given a week earlier in response to questions on his activities during the Iran-contra affair. The supplement dealt with Gates' actions the week of Nov. 17-21, 1986, when the administration was assembling its accounts of

the Iran arms deals.

In the supplement, Gates told the committee about several telephone calls and meetings he had had that week with NSC staff members. Most of those contacts dealt with disputes between the CIA and NSC aides over historical details.

One major dispute, Gates said, erupted over whether it was NSC aide Lt. Col. Oliver L. North who had asked the CIA in November 1985 to supply a cargo plane to take Hawk anti-aircraft missiles from Israel to Iran. That dispute went all the way to a White House meeting last Nov. 20 involving Meese and then-national security adviser Poindexter. Gates said the CIA, which had insisted that North made the request, eventually won the argument. The point was important because the arms shipment marked the beginning of involvement by the CIA and by a network of pri-



Robert M. Gates

vate operatives hired by North — but it was apparent that U.S. officials could not reconstruct the chain of events leading to that action.

Throughout that important week in November, Gates told the committee, "my primary role and overriding concern" was to ensure that Congress would be told "all the facts regarding CIA's operational support role" in the Iran program.

Gates' second approach to the committee came just hours before he asked Reagan to withdraw his nomination. In a four-page letter dated March 2, Gates denied seven of what he called "the most egregious allega-

tions against me." Among other things, Gates denied that:

- He had encouraged an administration proposal for an invasion of Libya in 1985. *The Washington Post* reported Feb. 20 that Gates had authored an intelligence paper supporting a joint U.S.-Egyptian attack on Libya, but that the idea was rejected because of State Department opposition. Gates said an analysis "prepared at my suggestion was the basis for rejection of this policy." He underlined the word "rejection."

- The CIA last Nov. 21 had more information about possible wrongdoing than was available to Meese. Gates said neither he nor other CIA officials had seen evidence "remotely resembling" a memo by North, mentioning a diversion of funds to the contras, that Meese had uncovered.

- The CIA, in preparing Casey's Nov. 21 testimony to congressional committees, participated in a cover-up of facts about the Iran-contra matter. Some members have complained that Casey's testimony was incomplete and misleading, but Gates said a cover-up charge is "particularly outrageous." He insisted that he had urged Casey to give Congress "all the known facts."

- He had acquiesced in the Iran arms sale policy and had "turned a blind eye" to evidence that money from the sales was being diverted to the contras in Nicaragua. Gates said he had little knowledge about or involvement in the Iran arms sales, and that he expressed concern to Casey about the decision to keep the sales secret from Congress. He also insisted that he went in October to Casey and other involved officials when he heard "speculation" about the diversion.

"I should have argued harder for notification [to Congress] and I should have been more aggressive in October," he said. But, Gates added, "I continue to believe that the steps I took were reasonable, that the advice I received was sound and that CIA's actions were proper."

- He lacks "independence." Gates appeared to be responding to statements by senators that he sought to protect his career at the CIA and that he and others had allowed intelligence analyses to be slanted for political reasons. Gates said he had made changes that "challenged long-established practice and attitudes" at the CIA. And he insisted the Intelligence Committee had never brought to agency attention a single instance of what members believed was slanted.