

# Those Titillating High-Level Resignations

By **STEPHEN ENGELBERG**

Special to The New York Times

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After all, this is where a shift of White House office assignments and the type of plane given a senior official for a foreign trip can set off days of speculation.

When somebody actually leaves the Government, vague official statements citing the ever-popular "personal reasons" are seen as inherently suspect. Journalists, lobbyists and players in the power game suspect that darker meanings lurk just beneath the surface of such seemingly innocuous announcements.

So it was the other day when the White House announced that John N.

McMahon, the No. 2 man at the Central Intelligence Agency, was ending his 34-year career with the agency. The White House said he was leaving for unspecified personal reasons. But the speculation began immediately and has continued, both in print and among those who follow the twists and turns of the intelligence agencies.

Did he jump? Was he pushed? Was his leaving some kind of protest?

Critics of the agency, contending that Mr. McMahon had opposed covert aid for insurgencies in Afghanistan, Angola and Nicaragua, saw his resignation as proof that those programs would soon be stepped up. Tass, the Soviet press agency, offered a similar hypothesis. And two conservative groups that had been pushing for Mr. McMahon's dismissal immediately claimed credit.

All of which led Mr. McMahon to vehemently deny all the theories, which made some of the speculators all the more convinced that their assertions were correct.

## Goals of the Lobbying Groups

The conservative lobbying groups, Free the Eagle and the Federation for American Afghan Action, have been pushing for a more confrontational American policy in Afghanistan. They would like the United States, for example, to provide expensive American-made arms to the rebels fighting the Soviet-backed government of Afghanistan. Foreign-made arms are now provided to the guerrillas on what officials call a "covert" basis, meaning the weapons cannot be directly traced to American sources.

But the two groups have also been trying to build their reputations, and a letter-writing campaign against Mr. McMahon has been a primary tactic.

The groups said repeatedly that Mr. McMahon was opposing an increase in the size of the Afghan program. Officials said his concern was that more aid would only be lost as it is moved through Pakistani middlemen to the Afghan guerrillas.

"We said, 'Hey, McMahon's the bad guy,'" recounted Neal Blair, president of Free the Eagle. He said that as a result of his group's efforts, more than 10,000 letters were delivered to Donald T. Regan, the White House chief of staff.

The conservative lobbying groups have had mixed success in getting people to believe their claims in Washington, but they seem to have had little trouble convincing Moscow of their prowess.

Tass, in its article on Mr. McMahon's resignation, said the White House had been pressured by "the ultra-reactionary group Free the Eagle." This assertion is a favorite theme of the Soviet press, which regularly portrays Mr. Reagan as being a prisoner of the far right.

Tass also suggested that Mr. McMahon had resigned in protest, saying he had "dared to express doubts on the utility of giving military aid through the C.I.A. channels to the anti-Afghan rebels."

## McMahon Is 'Dismayed'

All of this apparently infuriated Mr. McMahon and led some allied intelligence services to think that the agency was undergoing some sort of internal upheaval. Within a few days the C.I.A. was issuing a statement under Mr. McMahon's name intended to quell all the speculation.

"I have been dismayed and angered by the reaction of those in the press and special interest groups who have sought to interpret my retirement from C.I.A. as an expression of discontent with the President's policies," he wrote. "Nothing could be further from the truth. I must draw the line when these uninformed and erroneous reports provide fodder — as indeed they already have — for propaganda in the Sandinista press in Nicaragua and others abroad."

Administration officials who have known Mr. McMahon for years say that there was no hidden meaning in his retirement and that he had talked about leaving Government service for several years.

These associates contend that, in this case, it was accurate for the White House to say he was resigning for personal reasons. The timing of Mr. McMahon's decision, they said, was linked to such prosaic factors as pending Federal legislation that would lessen pension benefits to retirees.

It is true, they say, that Mr. McMahon has sometimes been a doubter when it comes to expanded covert programs. But they say he had proven to be a loyal soldier once a particular policy was decided.

"Why wouldn't he have left years ago if he had such problems with covert programs?" one official asked.

Others said that Mr. McMahon, to all indications, had retained the confidence of William J. Casey, the Director of Central Intelligence, who is a leading proponent of the Administration's covert aid to insurgencies.

Mr. Blair, of Free the Eagle, is not persuaded.

"McMahon was right in the middle of this, and it appears he lost out," he said. "The indications are persuasive."

Asked if he knew for a certainty that Mr. McMahon had been forced from his job, Mr. Blair said:

"I can't think of one resignation where we've ever really known what happened."

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ON PAGE A18

WASHINGTON POST  
14 March 1986

## *Those Allegations Against a CIA Deputy*

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■ John McMahon resigned as deputy director of Central Intelligence;

■ The picture is indeed of Mr. McMahon;

■ Deputy Director for Intelligence Dr. Robert Gates has been nominated by the president to succeed Mr. McMahon.

Numerous allegations against Mr. McMahon contained in the rest of The Post's story are false. Notably:

■ The Post implies that Mr. McMahon retired because an "inter-agency group in charge of covert operations decided on a significant escalation of four paramilitary operations." That is incorrect. As Mr. McMahon said, and as the White House's announcement of Mr. McMahon's resignation stated, he retired for purely personal reasons. The Post leads its readers to believe that its "anonymous" sources know Mr. McMahon's mind better than he does.

■ The Post asserts that "the departure of McMahon . . . clears the way for a more activist policy of CIA intervention that this agency's director, William J. Casey, has been promoting." As The Post should be aware, whatever administration is in power—President Reagan's in this case—makes foreign policy, not the Central Intelligence Agency. The CIA's functions are to collect, analyze and dis-

seminate information on foreign policy developments to those who do make policy—the president and his National Security Council—and to assist them in the decision-making process. Mr. Casey is an adviser to the NSC, but is not a voting member.

The CIA also is charged with conducting counterintelligence overseas and undertaking such other activities as the president may direct. Each decision by the president to task CIA with such activities, sometimes referred to as "covert action," is reported to the oversight committees in Congress within 48 hours. Since the CIA does not, as The Post suggests, have its own foreign policy, Mr. McMahon's presence or departure from the agency will not in itself decide the course of U.S. foreign policy.

■ According to The Post, "McMahon opposed increased U.S. involvement in Third World conflicts." Nothing could be further from the truth. As Mr. McMahon has stated, "I support the president's policies in Afghanistan, Nicaragua and the Third World at large and execute his directives to the fullest extent." Congressional testimony makes clear that Mr. McMahon is not discontent with the president's policies in these areas as The Post and others have alleged; he has, in fact, been a strong supporter of these policies.

■ The Post reports that a lobby has taken credit for Mr. McMahon's resignation. Such a claim by a misinformed and misguided group is absurd and deserves no further comment.

I could go on, but enough said.

It is a pity that a distinguished agency officer and public servant who has given 34 years of his life in outstanding service to his country should be so maligned when he regretfully retires for truly personal reasons.

GEORGE V. LAUDER  
Director, Public Affairs  
Central Intelligence Agency  
Washington

WASHINGTON TIMES  
19 March 1986

# Casey's choices at the CIA

ARNOLD BEICHMAN

When President Reagan appointed William Casey director of Central Intelligence in 1981, he selected a man who had several qualifications for the post.

First, during World War II he had served in the Office of Strategic Services, a more modest version of what in time became the CIA.

Second, Mr. Casey knew intimately Washington's bureaucratic byways, having served earlier in several executive government posts.

Third, Mr. Casey, unlike several of his immediate predecessors, had no illusions whatsoever about the Soviet Union.

Fourth, and probably most important, he enjoyed the fullest confidence of President Reagan, an attribute in which many of Mr. Casey's forerunners under other presidents had been notably deficient.

Mr. Casey's first designee to a leading CIA post almost brought him down. As his deputy director for operations, the "chief spook," as he is known at Langley, Mr. Casey ap-

pointed not someone from the CIA itself but an "outsider," a businessman who had reportedly done a first-rate job in the 1980 Reagan presidential campaign. The appointee suddenly found himself being investigated for alleged crimes, and before he had even warmed his seat he withdrew, rather than allow himself and the administration to be dragged through the mud.

The following year, 1982, when Adm. Bobby Ray Inman, the legendary intelligence professional, retired as deputy director of Central Intelligence, Mr. Casey, under pressure from Congress, took an "insider," John N. McMahon, then CIA executive director, to replace Mr. Inman. Mr. McMahon resigned

his post last week, effective March 29, apparently on his own volition. Succeeding him as second-ranking official at the CIA was another member of the CIA career bureaucracy, Robert M. Gates, the agency's deputy director for intelligence. Prior to this appointment, which requires Senate confirmation, Mr. Gates was chairman of the CIA's National Intelligence Council, which analyzes all information collected by U.S. intelligence agencies.

This replacement of one high CIA official by another demonstrates the tremendous power the CIA career bureaucracy has developed over the years. In addition, career officers are today endowed with an important action base in the House and Senate intelligence oversight committees. These bodies constitutionally outrank the CIA itself because they are empowered to oversee the agency's activities and finances, no matter how secret, how confidential, and how sensitive.

No classification can truly exclude the committee members from knowing, if they want to, whatever the CIA knows and does. In other words, while Mr. Casey nominally is on the top of the Central Intelligence pyramid, his subordinates have inevitably developed a lateral relationship with powerful congressional leaders, some of whom have indi-

cated that they put greater trust in CIA career officers than they do in Mr. Casey himself.

What gives the career officers even more muscle is that, as the director of Central Intelligence, Mr. Casey has, as is the case with any executive-in-chief, a limited time-span for dealing with issues and decisions. There is simply too much to do in an agency like the CIA, even for the director. He must, therefore, select those issues which have a priority for him and in, Mr. Casey's particular situation, for the president.

Such a priority issue for President Reagan is the Strategic Defense Initiative. Whatever one says about Mr. Reagan's putative waffling on various issues and whatever suspicions may be raised among some ultraright commentators about his anti-Communism, Mr. Reagan hasn't yielded an inch on his

No. 1 priority, the SDI. The pressures at home and abroad to compromise with the U.S.S.R. have been enormous; but he hasn't budged, perhaps on the assumption that if the United States wins on SDI, all other Soviet-U.S. issues may lose their confrontational significance.

Nicaragua is another priority issue for Mr. Reagan. Thus Mr. Casey

has made the president's handful of priorities his own; the CIA career officers can take care of the other issues.

To some extent both men share a belief that when they are right they are right, and they will not be moved. Such an example was afforded the inner Washington world when Mr. Reagan let it be known that he was planning to meet at the November summit in Geneva one-on-one (except for interpreters) with Mikhail Gorbachev. There were protests, entreaties, warnings from many directions that it would be a calamity for Mr. Reagan to meet alone with the Soviet party general secretary. Mr. Reagan paid no attention to all the advice and spent five hours alone with Mr. Gorbachev.

To return to the instant subject, the appointment of Mr. Gates to succeed Mr. McMahon may be a triumph for the CIA career bureaucracy and, indeed, Mr. Gates is probably an excellent appointment, judging by his past record. The point is that, so far as Mr. Casey and his patron are concerned, on those issues which both men regard as top priority they will neither yield nor compromise, regardless of Congress or the CIA bureaucracy.

*Arnold Beichman, visiting scholar at the Hoover Institution, is studying congressional oversight of the intelligence agencies.*

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# TOMORROW

## A LOOK AHEAD FROM THE NATION'S CAPITAL

### UPROAR AT THE CIA

The resignation of the CIA's No. 2 man, Deputy Director John McMahon, is just the overt side of the covert turmoil inside the agency. Intelligence insiders say McMahon was fired and that Director Casey was behind it. Administration aides accuse McMahon of leaking inside information to Congress and the press, but behind the accusations is McMahon's long resistance to Casey's plans for more covert aid. McMahon had hoped to survive as the agency's conscience, but that only put him at further odds with Casey. Casey's commitment to Reagan has offended CIA professionals dedicated to nonpartisanship, but it gave him the leverage to oust McMahon. The new deputy director, Soviet expert Robert Gates, is more enthusiastic about backing anti-Marxist "freedom fighters," but he will meet opposition from the agency pros. Many of them are now expected to leave "the company."

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