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Casey And the Sharks

Daniel Patrick Moynihan, the senior Thespian from New York, was in fine form. In full cry and arms waving, he told his colleagues on the Senate Intelligence Committee how he had been calling and calling and *calling* the White House—and nobody answered:

"If they are going to cover up, they are going to lose themselves a director of the Central Intelligence Agency right there. If they are not even going to help us develop the fact that [the director] should not resign, then the result will be that he will resign."

Ten minutes after this outburst, Moynihan reports, he finally got a call from Attorney General William French Smith. Within hours, arrangements had been made for the committee's investigators to sit down with Justice Department officials to begin looking into the rapidly unraveling case of William Casey, director of the CIA.

It is no ordinary case. Whatever its outcome, it has already provided a revealing test of senatorial character—and that of the administration as well. The CIA chief, after all, is the first Reagan Cabinet member to come under congressional investigation. He heads a particularly sensitive institution with an essential role in national security. Still convalescing from the battering it took from Congress as a consequence of past excesses and improprieties, the CIA cannot afford any more controversy over the competence and integrity of its top management.

You would have assumed, then, that it would not have required a loud warning from the ranking Democrat on the intelligence committee to alert the Reagan administration to the perils of even seeming to be "stonewalling" (to borrow from the Watergate vocabulary) in the Casey affair. Any grown-up politician in this town ought to know by now that nothing transforms even the most understandable foul-up into a full-fledged scandal faster than the suspicion of a "cover-up." That consideration, Moynihan insists, was his primary concern and the reason that, after "15 phone calls got no response," he blew

his top.

You might also have assumed, while awaiting the committee's findings of fact, that Casey was entitled to a hearing, if not out of decency, then out of concern over the enduring damage his railroaded resignation would almost certainly do to a still-suspect CIA.

But that's what's extraordinary about the Casey affair. None of the natural assumptions can be safely assumed.

As a political crony of the president, Casey was a marked man from the start. Despite a wartime intelligence background, he seemed by many professionals to be short of the necessary credentials for the job. So you would have thought he would have selected his associates with care,

and with due concern for congressional doubts about his competence.

Instead, he tempted fate by recruiting for the particularly sensitive position of deputy director for operations (including covert activities) a rough-tongued, hard-charging, millionaire entrepreneur named Max Hugel, with no credentials for the job. A protégé of William Loeb, the hyper-reactionary publisher of the Manchester Union Leader, Hugel's managerial talents as displayed in a modest role in the Reagan primary campaign in New Hampshire somehow convinced Casey that he would bring a strong hand and a fresh eye to the management of the CIA.

Then a couple of soreheaded former Hugel business associates, armed with tape recordings, blew the whistle on alleged stock manipulations and Hugel was swiftly and neatly hustled out of his job.

End of story, you might have assumed. "Except for this one aberrational appointment," says a CIA veteran, "it was generally agreed that Casey was doing a pretty good job." But the Hugel fiasco, as so often happens, sharpened appetites. Casey himself came under closer scrutiny; a seven-year-old civil law suit involving Casey's role as director of an agricultural firm was suddenly front-page news.

When the ruling—that Casey and other directors had knowingly distributed false information about their company—was handed down last May, it went unnoticed. But post-Hugel, it became fresh blood in the water for a circling school of senatorial sharks and the main basis for the Senate investigation.

A partisan, Democratic ploy, you might assume—and once again be wrong. These are Republican sharks. Their leader is committee chairman Barry Goldwater, who for weeks has been telling committee members and the White House what he only recently was prepared to say out loud: that Casey must go.

Says a committee colleague, "It's got to be something personal. Barry never has thought Casey was up to the job, and he thinks the CIA belongs to him."

If nothing new turns up to discredit Casey, stalwart White House support for the president's 1980 campaign manager could still save him—and save the CIA from yet another unsettling upheaval as well. But given the way the White House has been playing pussy-foot politics with this problem, even without new and adverse evidence, the president's continuing "full confidence in Mr. Casey" is one more assumption that cannot be safely assumed.