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ARTICLE APPEARED ON PAGE A1

WASHINGTON POST
6 December 1986

GOP Senators Ask President To Replace Regan, Casey

Reagan Questioned on Involvement in Deals

By Lou Cannon and David Hoffman
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For the fourth day in a row, President Reagan was personally confronted by Republican congressional leaders yesterday, this time by GOP senators who asked him to replace his chief of staff and CIA director, and to assure them again that he had no advance knowledge of the diversion of funds from arms sales to Iran to aid Nicaraguan contras.

A number of lawmakers, led by Sen. Pete V. Domenici (R-N.M.), also urged Reagan to appoint a "special counselor" who could advise him as he seeks to cope with sagging public credibility and multiple investigations into the clandestine deals.

Reporting on the senators' White House session with the president, Domenici said Reagan was asked again about what he knew of the money diversion to help the contras. "He looked right at each one of us and said, 'I knew nothing about it,' " Domenici said. "I don't think anyone challenged him."

On staff changes, Reagan was described by a close friend as "determined not to be pushed" into firing chief of staff Donald T. Regan by the rebellion in his party and among some members of his administration. Sen. John H. Chafee (R-R.I.), the third-ranking Republican in the Senate, said that when he urged Reagan to make "changes in personnel . . . including Regan," the president replied that "he wasn't going to throw anybody to the wolves." Some of the senators also pressed for the ouster of CIA Director William J. Casey.

But there were reports that Regan remained under intense pressure from Republican critics and from First Lady Nancy Reagan, who said earlier this week that any decisions on staff changes were up to her husband. An informed source said the Reagans quarreled over Regan earlier in the week, with the First Lady pushing for Regan's dismissal and the president finally saying, "Get off my goddamn back."

White House spokesman Daniel Howard last night disputed this account. "There is no truth to it—either the quote or anything else. There is just no truth to it," he said.

Some of Regan's foes within the administration and the Republican Party said they think that the chief of staff will leave within the next several weeks without being asked. "The guy hasn't got anybody in this town on his side," said a high-ranking Republican source. "I'm sure that's wearing on him."

Regan and his spokesmen continued to insist that he does not intend to quit and is standing up to the pressure. When stock prices surged earlier in the week, Regan quipped to members of his staff, "I guess the word's got to Wall Street that I'm not coming back."

One friend of the president said he thinks that Regan might "see the handwriting on the wall" and decide to leave near the end of the year. He said the president considers Regan a friend, enjoys the banter of "locker room humor" with him and would not ask for his resignation. But the friend said the president would accept the resignation if Regan offers it.

"The movement is very, very slow, but it's clear that there is an increased recognition by Reagan of the difficulty that Regan faces," said a senior administration official. "I don't see how Don and his people can engage in much planning—they're all busy defending him. There is a softening of support for Regan. People see the inevitability of his departure and want to get on with it."

Republican concern is not directed solely at Regan. A number of Republicans also have expressed doubts about Casey. Domenici said Casey's name "came up" when senators met with the president yesterday. Casey's fate is believed closely linked to the outcome of hearings by congressional intelligence committees on the secret arms sale to Iran and diversion of funds to aid the contras.

"With Casey it's more a question of what his role was, if any," said a Republican senator who asked not to be identified. "There is more of a general demand for Regan to go, in the interest of getting someone politically competent in his job. If neither of them go, having a special counselor who can coordinate the president's responses becomes particularly important."

There were conflicting reports on the depth of the president's commitment to Regan. One Republican source said Reagan has changed his thinking and is "no longer dug in" on keeping his chief of staff.

However, one participant in yesterday's meeting said that senators were "a lot bolder in their criticisms of Regan on the White House driveway" than they were when "actually meeting with their commander in chief."

Several prominent Republicans have been mentioned as possible successors to Regan, including former secretary of transportation Drew Lewis, retiring Sen. Paul Laxalt (R-Nev.), former national security adviser William P. Clark and Treasury Secretary James A. Baker III, who was chief of staff before he switched jobs with Regan. Another prospective choice, according to Republican sources, is former deputy attorney general Ed Schmults, an executive with GTE-Sprint.

While Regan remained under attack yesterday, some Republicans rallied strongly in defense of the president. Without naming anyone, Education Secretary William J. Bennett criticized members of his party who have distanced themselves from Reagan since the clandestine arms deal was disclosed.

"Some who have basked in his glow should not be scurrying to the wings, shouldn't be trying to distance themselves from the president," said Bennett at a conference of the conservative Ethics and Public Policy Center. "Loyalty to this good and decent man is a virtue."

Sen. Strom Thurmond (R-S.C.), in an unusual personal attack on a

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colleague, said that Sen. Ernest F. Hollings (D-S.C.) should be removed from the Senate intelligence committee for saying earlier in the week that he was "positive" the president knew of the Iran-contra connection. Hollings replied in a statement that he had not said that the president lied but that Reagan had "not fully informed the American people."

Sen. Orrin G. Hatch (R-Utah) yesterday added his voice to those in the GOP urging Regan to resign and predicting that Casey may lose his job as a result of the arms funds diversion.

Hatch, who specified that his judgment was not based on this week's secret testimony before the Senate Select Committee on Intelligence, on which he sits, said of Regan: "He [Regan] did not protect the president. He did not inform the president. Or, what is worse, he did not assure that he was informed himself."

While saying that "the only one who has to go is Regan," Hatch said pressure is building for the removal of Casey as well. As in the past, Hatch said he had "very high regard" for the job Casey has done and thinks that "he's always been very honest with me."

"I don't want to see Casey go," Hatch said, "but he doesn't have the confidence of the Democrats who are in charge of Congress or of many Republicans . . . . There's a time to clean house, and one element has to be who has the confidence of Congress and who doesn't."

In Greencastle, Ind., Sen. Richard G. Lugar (R-Ind.), chairman of the Senate Foreign Relations Committee, said in a speech that the scandal does not warrant the president's resignation and that he had "confidence that the president has not committed misdeeds," United Press International reported.

Lugar said, however, that he thinks that the situation could be a "national emergency" and that several high officials should resign to allow a "new beginning" in the nation's foreign affairs. Lugar has called for the resignations of Regan and Casey.

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One White House official said yesterday that Republican legislators are becoming increasingly "impatient" because they want "instant answers" to the serious legal and policy questions raised by the clandestine arms deals. Regan has become a principal target for Republican lawmakers and several past and present administration officials because they think that his continued presence will make it difficult for the administration to lay out an agenda for the final two years of Reagan's presidency.

"He [Regan] is a captive of this scandal whether or not he knows what went on," said one Republican strategist. "He made a point of being a powerful chief of staff, and people think he should have known about such things. As long as Don is there, he will be questioned about the arms deal, not about what the president wants to accomplish on other matters."

Regan, usually gregarious, has avoided the limelight and shunned the news media since the president returned from Santa Barbara, Calif., last weekend. When the president departed for Camp David yesterday, the chief of staff did not see him off as usual, apparently to avoid reporters' questions.

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Staff writers Helen Dewar and Barbara Vobejda contributed to this report.

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