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Reagan Ordered Casey to Keep Iran Mission From Congress

Written Notice Conflicted With CIA Chief's Pledge

By Bob Woodward
Washington Post Staff Writer

President Reagan in mid-January ordered CIA Director William J. Casey in writing not to inform congressional intelligence committees of a covert action involving the shipment of arms to Iran and release of American hostages in Lebanon, informed sources said yesterday.

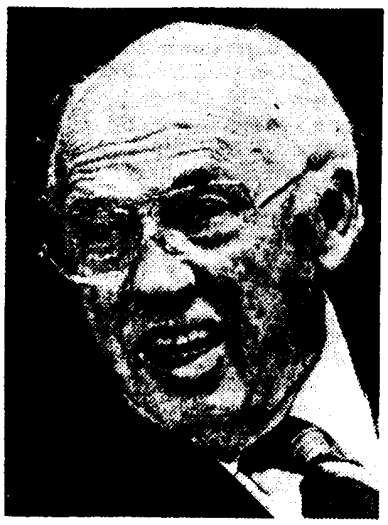
As part of his Iran policy, Reagan signed a secret presidential intelligence order on Jan. 17, formally authorizing the covert operation, the sources said. Senior administration officials yesterday said the president has full legal authority to begin sensitive covert operations without giving prior notice to Congress, although several key Republican and Democratic members of Congress sharply disagreed.

After the 1984 controversy over the Central Intelligence Agency's mining of Nicaraguan harbors, Casey had pledged in writing to inform the Senate and House intelligence committees within 48 hours of any intelligence activities or covert actions approved by the president.

Sources said the president issued the written order to Casey in an attempt to protect his intelligence chief from the anticipated wrath of Congress, which is now preparing several inquiries into the president's controversial Iran policies. Since the administration first took office in 1981, Casey has had numerous public run-ins with the congressional intelligence committees. The White House and Casey wanted to avoid another, the sources said.

"Casey's hands are clean on this one," one source said yesterday.

Since the revelations of intelligence abuses in the mid-1970s, Congress has virtually guaranteed the public that there will be thorough oversight of intelligence operations. But one Republican senator yesterday said the Senate Select Committee on Intelligence is now confronted with a "serious lapse" in its oversight responsibility because it was unaware of the operation for 10 months.



WILLIAM J. CASEY
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Since at least part of Reagan's Iranian policy was conducted under a formally approved covert action, the policy falls into an arena where Congress has laws and committees to fully investigate.

The president's national security adviser, Vice Adm. John M. Poindexter, yesterday defended the decision to keep the covert operation from Congress because of extreme sensitivity of contacts with Iran and potential danger to American hostages.

In a luncheon meeting with reporters and editors at The Washington Post, Poindexter said he kept the one-page presidential intelligence order, called a "finding," in his White House office safe and that its existence and contents were known only to a handful of administration officials.

"The president has signed an intelligence finding that authorizes this program, and that finding only existed in its original form in my safe," Poindexter said.

"The finding, in terms of its objectives, is very similar to the objectives that the president gave in his speech [Thursday] night," he added.

In his televised speech on the Iran controversy, Reagan said he had authorized the secret diplomacy to gain "access and influence" in Iran, end the Iran-Iraq war and reduce terrorism. Without elaborating, Poindexter also indicated that the finding made reference to arms and the release of hostages.

Poindexter said the administration determined that the Intelligence Oversight Act, which governs intelligence operations, specifically acknowledges the president's constitutional authority to conduct foreign affairs. The act anticipates extraordinary circumstances when the congressional intelligence committees will not be informed of a covert operation in advance, he said.

The law only requires that when prior notification is withheld, "the president shall fully inform the intelligence committees in a timely fashion ... and shall provide a statement of the reasons for not giving prior notice."

Poindexter said such a notification and explanation was being given to the committees, even though it is 10 months since Reagan authorized the operation which Poindexter said specifically involved the CIA.

The Senate intelligence committee was informed yesterday of the presidential finding, but two senators on the panel said the 10-month delay was totally unacceptable and subverted the spirit of congressional oversight of intelligence operations.

"How many more 'findings' of secret operations are there in Poindexter's safe?" asked one Republican senator, who declined to be identified because he said he has not yet seen the Iranian finding or been briefed on the matter.

Other sources said the Senate committee will hold closed hearings on the matter soon, particularly examining the question of the funding for the Iranian covert action. Under the law, the CIA can only spend funds authorized by Congress, and sources said no money was authorized for the Iranian operation. The House plans to open hearings on the Iran controversy Nov. 21.

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The existence of a 10-month covert operation about which Congress was oblivious clearly surprised and even shocked some intelligence committee members yesterday. "The assumption was that this couldn't and wouldn't happen," one source said.

Poindexter said yesterday that he was aware of Casey's agreement with the Senate committee, but that the leeway on notification written into the law by Congress permitted the administration to act as it had.

A January 1985 report of the Senate intelligence committee said, "On June 6, [1984, director of central intelligence] Casey, with the approval of the president, signed a written agreement with the committee setting forth procedures for compliance with the statutory requirements of the Intelligence Oversight Act for reporting covert action activities to the intelligence committees."

Sources said that Casey only signed that agreement under repeated pressure from the committe hairman at that time, Sen. Barry Goldwater (R-Ariz.), and then-vice hairman, Sen. Daniel Patrick Moynihan (D-N.Y.).

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Because Casey was reluctant to sign the agreement, the committee's chief counsel was sent to CIA headquarters to get Casey's signature in June 1984, officials said.

Nonetheless, both intelligence and congressional sources said that the agreement, often called the "Casey Accords," has been one of the guiding documents in the relationship between the CIA and Congress in the last two years. It was updated this year, according to officials.

When it was signed, the Senate intelligence committee said in a statement that the agreement was "an important development which should reduce the chances for a repetition of the kind of problem and misunderstanding" that developed from the 1984 Nicaraguan harbor mining.

Staff researcher Barbara Feinman contributed to this report.

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