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# NEW YORK TIMES

FROM CIA EROS
BY NICHOLAS M. HORROCKS
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WASHINGTON - E. HENRY KNOCHE, THE NO. 2 MAN IN THE CENTRAL INTELLIGENCE AGENCY, HAS UNEXPECTEDLY RESIGNED, EFFECTIVE ON AUG. 1, AFTER ENCOUNTERING SHARP POLICY DIFFERENCES WITH THE DIRECTOR, ADM. STANSFIELD TURNER, SENIOR ADMINISTRATION SOURCES SAID WEDNESDAY.

HIS ABRUPT RESIGNATION REOPENED REPORTS THAT TURNER IS HAVING GREAT DIFFICULTY DEALING WITH THE CIA'S WORSENING EMPLOYE MORALE AND THAT THE ADMIRAL HAS HAD SEVERAL DISPUTES WITH THE PROFESSIONAL OFFICERS WHO FORM THE MANAGEMENT OF THE AGENCY.

THE WORD OF KNOCHE'S RESIGNATION WAS FOLLOWED BY UNCONFIRMED REPORTS THAT TURNER WAS TRYING TO FORCE SEVERAL SENIOR MEMBERS OF THE AGENCY'S COVERT OPERATIONS SECTION INTO EARLY RETIREMENT. A SPOKESMAN FOR THE CIA DENIED THIS AND SAID THAT THERE HAD BEEN NO DISPUTE BETWEEN KNOCHE AND THE ADMIRAL, BUT HE CONFIRMED THAT KNOCHE HAD RESIGNED.

KNOCHE DECLINED TO COMMENT ON THE MATTER. THE CIA RELEASED A STATEMENT KNOCHE PREPARED FOR DELIVERY TO THE AGENCY'S STAFF IN WHICH THE OUTGOING DEPUTY SAID HE FELT IT WOULD BE ''IN THE BEST INTERESTS OF THE AGENCY AND THE NATION'S INTELLIGENCE EFFORT IF I STEPPED ASIDE NOW . . .''

BUT INTELLIGENCE OFFICERS SAID PRIVATELY THAT KNOCHE FOUND HIS DECISIONS INCREASINGLY COUNTERMANDED BY TURNER AND THAT HIS ACCESS TO AND RELATIONSHIP WITH THE ADMIRAL WERE EXTREMELY FORMAL AND DIFFICULT. ''THE SITUATION DETERIORATED TO THE POINT WHERE I THINK HE FELT IT SERVED NO PURPOSE TO TRY TO REMAIN AT HIS POST,'' A CLOSE ASSOCIATE OF KNOCHE SAID.

KNOCHE, A TALL, LANKY SOFT-SPOKEN PROFESSIONAL INTELLIGENCE ANALYST, HAD GAINED WIDESPREAD RESPECT AT THE WHITE HOUSE AND ON CAPITOL HILL FOR HIS HANDLING OF THE MASSIVE INVESTIGATIONS THE CIA UNDERWENT FOR THE PAST TWO YEARS. HE WAS REGARDED IN THE AGENCY AS PART OF A ''NEW BREED'' OF EXECUTIVES, LESS COMMITTED TO COVERT OPERATIONS AND OTHER AGENCY SWASHBUCKLING AND MORE TO THE PRESENTATION OF ACCURATE AND PROFESSIONAL INTELLIGENCE ESTIMATES TO THE PRESIDENT.

AS THE WORD SPREAD THROUGH AGENCY HEADQUARTERS AT LANGLEY, VA., THAT KNOCHE HAD RESIGNED, IT RAISED NEW RUMORS OF ''PURGES'' AND FORCED RETIREMENTS. ONE RUMOR SUGGESTED THAT 20 SENIOR MEMBERS OF THE COVERT OPERATIONS SECTION WOULD SOON BE FORCED TO RETIRE. A SPOKESMAN FOR

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