

Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: News Summary Office, White House:
News Summaries, 1981-1989

Series: II: WHITE HOUSE NEWS SUMMARY FINALS,
1981-1989

Folder Title: 12/09/1985

Box: 385

To see more digitized collections visit:

<https://www.reaganlibrary.gov/archives/digitized-textual-material>

To see all Ronald Reagan Presidential Library Inventories, visit:

<https://www.reaganlibrary.gov/archives/white-house-inventories>

Contact a reference archivist at: **reagan.library@nara.gov**

Citation Guidelines: <https://reaganlibrary.gov/archives/research-support/citation-guide>

National Archives Catalogue: <https://catalog.archives.gov/>



News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, DECEMBER 9, 1985 -- 6 a.m. EST EDITION

TODAY'S HEADLINES

NATIONAL NEWS

Reagan Pressuring House GOP To Back A Tax Bill This Week -- The President is planning to begin calling Republican lawmakers targeted as potential backers of the Ways and Means bill once the Republican alternative is rejected in the House.

(Washington Post, Baltimore Sun, Wall Street Journal, AP, UPI)

Fears Over Tax Increase Climb As Balanced-Budget Bill Gains -- "There will be serious agitations for a revenue increase," Rep. Michel said.

(Washington Times, UPI, AP)

INTERNATIONAL NEWS

Shultz Off Today For Goodwill Tour Of Europe -- East and West -- Secretary Shultz is heading back to Europe to drum up support for U.S. policies.

(AP, UPI)

OPEC Studies Abandoning Official Prices -- OPEC agreed Sunday on a shift in strategy that could depress prices further.

(Washington Post, Washington Times, AP, UPI)

NETWORK NEWS (Sunday Evening)

TAX REFORM -- The President's top domestic priority is at a critical juncture.

TRADE TALKS -- Secretary Baldrige arrived in Moscow for the business summit.

PHILIPPINES -- A serious split between opposition politicians threatened to undermine an election challenge to Marcos.

NATIONAL NEWS.....A-2

INTERNATIONAL NEWS...A-6

NETWORK NEWS.....B-1

TV TALK SHOWS.....B-4

NATIONAL NEWS

REAGAN PRESSURING HOUSE GOP TO BACK TAX BILL THIS WEEK

President Reagan, trying to pressure reluctant Republicans, will tell House members in a letter to be delivered today that the effort to overhaul the tax code will be "dead for several years" if they defeat a major tax bill this week, White House sources said yesterday.

Rep. Robert Michel said yesterday on "This Week With David Brinkley" that he will vote against the program because "this legislation is not good mileage for Bob Michel and the majority of Republicans as they represent their districts out there."

(David Hoffman, Anne Swardson, Washington Post, A1)

White House Favors Appeal Of Democrats

In a sharp break with the House Republican leadership, the Reagan Administration urged Sunday that GOP members of the House vote for the tax-overhaul bill drafted by the Democratic-controlled Ways and Means Committee.

(Baltimore Sun, A1)

Reagan, Democrats Urge Tax Action, Raising Hopes For Ways And Means Bill

Previously, Mr. Reagan's lukewarm support for the two tax-revision measures in Congress had left doubts about his intentions to work to secure votes for either package. But White House officials have given private assurances on Capitol Hill that Mr. Reagan's actions in the next few critical days will speak louder than his previous words on tax overhaul.

(Jeffrey Birnbaum, Wall Street Journal, 52)

Tax Overhaul Moving Toward Close Vote In House

Overhaul of the federal tax code, President Reagan's prime domestic initiative for the year, is moving unsteadily toward a tax code that is fairer, simpler, and encourages greater growth. "I hope the House will vote yes ... and allow the Senate to consider, debate and to improve this important measure," the President said.

(AP)

Congress Rushes Toward Christmas Recess

The House also plans to act on a sweeping tax reform bill before adjournment. The outcome depends on how many Republicans line up behind the bill.

(UPI)

FEARS OVER TAX INCREASE CLIMB AS BALANCED-BUDGET BILL GAINS

The landmark Gramm-Rudman balanced budget plan, expected to be adopted by Congress this week, could force a tax increase, both Senate and House Republican leaders said yesterday. "We may have to do it with revenues," Sen. Dole said when asked how the deficit-cutting targets of Gramm-Rudman could be met.

(Thomas Brandt, Washington Times, A1)

Congress Facing Showdown On Budget, Taxes

Generally, the budget plan would revise the Congressional budget process and require automatic spending cuts if Congress and White House fail to meet a series of statutory ceilings on budget deficits aimed at reducing the government's annual red ink from the current \$200 billion to zero by 1991. (AP)

Congress Rushes Toward Christmas Recess

The White House endorses the concept of legislation requiring a balanced budget by 1991, but has expressed concern that the guidelines in Gramm-Rudman could undermine U.S. defense. Dole said, however, he doubted Reagan would veto the proposal if it passed Congress. (UPI)

DEFICIT-CUTTING MEASURES SEEN DEVASTATING CITIES' FINANCES

SEATTLE -- Henry Cisneros, Democrat mayor of San Antonio and incoming president of the National League of Cities, said Sunday that drastic deficit-cutting measures nearing approval in Washington will devastate city finances throughout the country and could bring the end of "the federal system as we know it." (Washington Post, A4)

Cities Endorse Tax Reform, Reject Gramm-Rudman Bill

In strikingly emphatic terms, Mayor George Voinovich of Cleveland said at the opening of the National League of Cities annual convention that there may be a return to rioting in the streets unless Congress finds the "guts" to develop a more sensible way to attack the deficit.

"I sometimes think, 'What would Ronald Reagan say 10 years ago if he saw what was going on in Washington today?'" Mr. Voinovich, a Republican and generally a supporter of President Reagan, said at an opening news conference. "I think he would be very upset."

(Don McLeod, Washington Times, A3)

Nation's Municipal Leaders Endorse Federal Tax Hike

The nation's municipal leaders are endorsing a House tax-revision plan but coupling it with a plea for President Reagan and Congress to raise taxes and spare domestic programs from 'irreparable damage' through indiscriminate budget cutting. (AP)

EPA'S MOVE TO DOUBLE FLUORIDE LIMIT CRITICIZED

The EPA has stirred the hornet's nest of fluoridation by seeking to double the maximum allowable amount of the chemical in the nation's water supply -- a move that is drawing sharp criticism as a possible health hazard. The EPA says the change is being made directly in response to pressure from areas that complained about the cost of removing excessive fluoride from their water supplies.

(Boston Globe story, Washington Post, A13)

SAFETY-NET PROGRAMS ON BUDGET 'HIT' LIST?

President Reagan will get his first look today at a broad range of recommendations for trimming \$50 billion from the 1987 federal budget. OMB Director James Miller will present Mr. Reagan with a package of budget-cutting options, including possible reductions in programs for the poor that comprise the so-called safety net.

(Karen Riley, Washington Times, A3)

TELETHON RAISES NEARLY \$1 MILLION FOR WEST VIRGINIA FLOOD VICTIMS

CHARLESTON, W. VA. -- Children with pennies, a millionaire politician and kind-hearted people from around the nation have donated nearly \$1 million to make sure West Virginia's flood victims have a merry Christmas. In a taped message, President Reagan said federal money would not be sufficient for recovery efforts. He urged West Virginians to make contributions, saying it is "the American way for neighbors to help neighbors."

(UPI)

TEST FLIGHT OF U.S. CRUISE MISSILE ABORTED IN FLORIDA

WASHINGTON -- The U.S. Navy aborted the flight of an unarmed cruise missile and forced it to land in northwest Florida, Defense Department officials said. There were no injuries or property damage, they added.

(Reuter)

GSA SEEN NOT FULFILLING CONFLICT-OF-INTEREST VOW

Despite his promise six months ago to a Senate committee that it would be established "shortly," a system to prevent conflicts of interests arising from General Services Administration head Terence Golden's multimillion-dollar real estate assets is not in place at that agency, according to congressional and agency sources.

(Mark Tapscott, Washington Times, A2)

THREE GHANAIANS ARRESTED IN WEAPONS PLOT

NEWARK, N.J. -- U.S. Customs agents arrested three Ghanaian Nationals near Newark when they tried to buy surface-to-air missiles, anti-tank guns and hundreds of other weapons to arm a rebel group in the West African nation. The men were charged with conspiracy and violation of the Arms Export Control Act, said Art Stiffel of the Newark U.S. Customs Service office.

(UPI)

-more-

JUSTICE POTTER STEWART'S FUNERAL SET WEDNESDAY

HANOVER, N.H. -- Funeral services for retired Supreme Court Justice Potter Stewart will be held Wednesday at the Washington Cathedral in Washington, D.C., a spokesman said Sunday.

(AP story, Washington Post, A4)

EDITOR'S NOTE: Page A1 of the Washington Post contains an article on tax shelters entitled, "The Offshore Laundry."

Page A2 has "The Measure Of McFarlane" by Lou Cannon.

Page C1 has a piece on a White House reception entitled "Doing The Honors: Stardust and Luster."

Page B1 of the Washington Times, AP and UPI also cover the same event.

-more-

INTERNATIONAL NEWS

SHULTZ OFF TODAY FOR GOODWILL TOUR OF EUROPE -- EAST AND WEST

WASHINGTON -- Three weeks after the Geneva summit, Secretary Shultz is heading back to Europe to drum up support for U.S. policies -- not just among the Western allies, but in the Soviet Union's own backyard.

On his first trip as Secretary of State to the Soviet bloc countries of Romania and Hungary, Shultz will "basically show the flag," said a U.S. official. Shultz, departing Monday for 10 days, begins his travels with talks in London with British Prime Minister Thatcher. (AP)

Shultz Has Busy Schedule In Europe

Despite the symbolic significance of Shultz's foray into Eastern Europe, a senior State Department official said the "meat" of the trip will be his three days of meetings with the NATO foreign ministers in Brussels, Belgium. (UPI)

OPEC STUDIES ABANDONING OFFICIAL PRICES

GENEVA -- OPEC oil ministers agreed Sunday on a shift in strategy that could depress prices further. The Organization of Petroleum Exporting Countries appointed a six-member committee to work out details of a policy that would abandon rigid official prices, which OPEC has been unable to enforce in a glutted market despite repeated production cuts.

(International Herald Tribune story, Washington Post, A22)

Price War With Outsiders Could Be Next For OPEC

GENEVA -- OPEC oil ministers, unable to resolve their feud over fixed pricing and production controls, moved Sunday toward a price war with oil producing countries that are not members of the cartel.

(Washington Times, A1)

Ministers Near Formal Agreement On Switch In Oil Tactics

Oil ministers of the 13 members of OPEC were to enter a third and probably final day of talks today to approve a joint statement on their switch in tactics. (AP)

OPEC Meeting Extended Another Day

United Arab Emirates oil minister Mana Saeed Otaiba said OPEC would even be prepared for prices to drop as low as \$20 per barrel from the current average of \$27. (UPI)

-more-

MUBARAK SAYS PLO CRUCIAL IN PEACE TALKS

CAIRO -- Egyptian President Mubarak Sunday strongly endorsed the need for a major role by the Palestine Liberation Organization in the Middle East peace process and criticized the United States for attempting to weaken it. "You in America can't understand, really, what we mean," he said of his motives for backing PLO Chairman Arafat as crucial for a peace in which terrorism does not continue.

(Michael Getler/Christopher Dickey, Washington Post, A1)

Mubarak: PLO Must Play Major Peace Role

WASHINGTON -- In an interview with the Washington Post, Mubarak said U.S. attempts to remove any PLO representation on a joint Jordanian-Palestinian negotiating team had wasted more than six months in a critical period when "time is slipping away." (UPI)

ISRAELI MADE SECRET TRIP TO U.S.

Arens Met With Shultz To Discuss Pollard Spy Case

JERUSALEM -- Cabinet Minister Moshe Arens, Israel's former Ambassador to the United States, returned here today following as unpublicized visit to Washington to discuss the terms of questioning by U.S. officials of Israeli officials who have been implicated in the Jonathan Pollard espionage case, Israel radio and State Department officials reported. (William Claiborne, Washington Post, A22)

Israeli Official Returns After Pollard Case Trip

TEL AVIV -- Sources said Israeli and U.S. officials have been holding contacts to set the ground rules for U.S. Justice Department officials and FBI agents to question the Israelis believed linked to the case of Jonathan Pollard. (Washington Times, A8)

Arens Visited Washington On Pollard Case, Report Says

TEL AVIV -- A Cabinet member who held unpublicized talks in Washington on the Pollard spy case has reportedly briefed the Israeli leadership on his trip, Israel Radio said. (UPI)

SYRIA SAID TO HAVE OFFERED CHEMICAL WEAPONS TO IRAN

Syria agreed to supply chemical weapons to Iran earlier this year, but has apparently backed away from the agreement -- at least temporarily -- according to intelligence sources. (Tom Diaz, Washington Times, A4)

-more-

NOBEL PRIZE-WINNER DRAWS FIRE

OSLO -- The Nobel Peace Prize, one of the world's most prestigious honors as well as a lightning rod for controversy, again has emerged as a target of international outrage, this time because one of the winners took part in a propaganda crusade against a previous laureate, dissident Soviet physicist Andrei Sakharov. The decision to invite Dr. Yevgini Chazov, a co-chairman of the International Physicians For The Prevention Of Nuclear War, which won this year's prize, to appear at the awards ceremony Tuesday has embarrassed the Nobel Committee. (Washington Post, A1)

Nobel Prize Winners Face Criticism Over Human Rights

OSLO -- Soviet Doctor Yevgeny Chazov and American colleague Bernard Lown, co-winners of the 1985 Nobel Peace Prize, today face strong criticism over human rights in the Soviet Union one day before receiving the award. (Reuter)

ADELMAN: HOPE DIM FOR ARMS TREATIES

Soviet cheating on past arms control agreements has cast a "a dark shadow" over future arms control agreements, Kenneth Adelman, director of the Arms Control and Disarmament Agency, said in a recent interview. Mr. Adelman also said Soviet violations were not discussed in any depth at the recent Geneva summit and the Soviet leader Gorbachev had insisted, even in his private discussions with President Reagan, that no research whatsoever be allowed on a space-based missile defense system. (Walter Andrews, Washington Times, A1)

TURKISH AMBASSADOR CLAIMS BILL WOULD LEAD TO KILLINGS

Hundreds of Turkish citizens will be murdered by Armenian terrorists over the next few years if a controversial resolution is adopted by the House of Representatives, according to Turkish Ambassador Sukru Elekdag. The resolution in question calls for a "national day of remembrance" for the 1.5 million Armenians alleged to have been killed during the Ottoman Empire in Turkey some 70 years ago. (Washington Times, A8)

OPPONENTS OF MARCOS STILL SEEK UNIFIED TICKET

MANILA -- Rival opposition challengers to President Ferdinand Marcos began working Sunday to patch up a split that scuttled the anticipated announcement of a unified opposition ticket in a presidential election scheduled for February.

The split between Salvador Laurel, 57, head of the United Nationalist Democratic Organization known as Unido, and Corazon Aquino, 52, the widow of assassinated opposition leader Benigno Aquino, broke into the open Sunday morning when Laurel withdrew an offer to run as Aquino's vice president and announced that he would seek the presidency in the election set for February 7. (Washington Post, A17)

Laurel Gives Cool Reaction To Grand Reception Idea

Presidential hopeful Salvador Laurel reacted coolly Monday to a proposal for an opposition coalition to face President Marcos in February's elections and said he could win on his own. (Reuter)

WEST GERMANY WILL JOIN U.S. IN 'STAR WARS'

BONN -- West Germany has decided to participate in President Reagan's Strategic Defense Initiative, although it is still unclear whether cooperation will involve a formal government-to-government agreement or just contracts with private firms. (Washington Times, B5)

GUATELAMANS ELECT PRESIDENT

GUATEMALA CITY -- Guatemalans cast ballots Sunday to select their first civilian president in 15 years, and voters expressed cautious hopes that this runoff election would mark a fresh start for this troubled Central American nation. Christian Democrat Vinicio Cerezo, 42, was widely expected to win by a substantial margin, according to several polls, Guatemalan politicians and diplomats here. (Washington Post, A17)

Presidential Runoff To Pick First Civilian President In Years

Christian Democrat Vinicio Cerezo trounced his conservative opponent in a runoff election Sunday, winning his bid to become Guatemala's civilian president and end more than 30 years of almost uninterrupted and often brutal military rule. (AP)

Cerezo Declares Himself Winner Of Guatemalan Election

"I am the winner. I am the President of Guatemala," Cerezo told reporters last night three hours after the polls closed. (UPI, Reuter)

-End of A-Section-

NETWORK NEWS SUMMARY

(Sunday Evening, December 8, 1985)

(NBC did not air a telecast.)

TAX REFORM

CBS's Bill Redeker: Congress begins its final push this week toward adjournment for the year and it is tax reform and the budget that will get all the attention. Republican leaders are in agreement that a balanced budget plan expected to be enacted this week could lead to higher taxes next year. As for tax reform, Gary Schuester reports that the view from Washington today is that the President's top domestic priority is at a critical juncture.

CBS's Gary Schuester: Reagan Administration officials say this is do or die week for tax reform legislation now before Congress.

(TV coverage of Secretary Baker: "The President's view is that if we don't move something out of the House of Representatives tax reform is dead. It's not a case of revisiting it, we are not going to have an opportunity to revisit it in the Reagan Presidency.")

Baker said Mr. Reagan will devote much of his time this week to getting some version of the bill out of the Democratic House and into the Republican Senate.

(Baker: "I think it is fair to say that the President feels that it would be fine if the Republican alternative passed, then we would never get to the question, but if it doesn't pass, I think he would like to see Republicans vote for the Ways and Means Committee bill. House Ways and Means Committee Chairman Rostenkowski said he expects the President's lukewarm involvement in tax reform to heat up quickly.

(TV coverage of Rep. Rostenkowski: "I'd like certainly to see the President become a lot more active. I think once we pass the bill in the House of Representatives you'll see him become more active.")

For six months Rostenkowski's committee has struggled to write a bill palatable to both the President and the Democratic House. In the end the committee bill differed enough from the President's tax reform plan that he did not endorse it and House Republicans drafted a substitute.... House Republicans offered a compromise. House GOP leader Robert Michel has a problem if the compromise plan fails and the President asks him to back the Rostenkowski package.

(TV coverage of Rep. Michel: "Well I cannot. I just think it's so far afield from what the President had initially asked for and maybe there is some substance to starting all over again.")

White House officials say the President has set aside time in his schedule this week for lobbying, either in person or by phone. The object is to get a bill out of the House so the Senate can rework it to Mr. Reagan's liking early next year. (CBS-Lead)

(Sunday Evening, December 8, 1985)

ABC's Sam Donaldson: President Reagan's point man on tax reform, Treasury Secretary James Baker, predicted today it's now or never as he kept up the drive to persuade the House of Representatives to vote yes in this week's tax reform show down. But in what promises to be a classic struggle within the Republican party, the President's own top lieutenant in the House, minority leader Robert Michel, said he may have to vote no, against the President.

ABC's Steve Shepard: President Reagan believes tax reform must be passed by the House this week or there will be no reform at all for the next three years. That at least is the opinion of Treasury Secretary James Baker who appeared this morning on ABC's This Week with David Brinkley.

(TV coverage of Baker: "The President's view is that if we don't move something out of the House of Representatives, tax reform is dead. It's not a case of revisiting it. We're not going to have an opportunity to revisit it in the Reagan Presidency.")

The problem is many House Republicans, including Minority leader Bob Michel, think the tax reform bill devised by the Democratically controlled Ways and Means Committee is a bad piece of work. They won't vote for it no matter what the President wants.

(TV coverage of Michel: "Well that's the most traumatic thing for me in my five years as his leader in the House of Representatives. It's the first time we have parted company and I regret that.")

Michel and others support an alternative Republican tax reform measure which almost everyone is certain is going to fail. That leaves the Democratic plan which Ways and Means Chairman Dan Rostenkowski says needs Presidential support.

(TV coverage of Rostenkowski: "We're going to need Republican votes on this measure and if it's the President's chief domestic issue, it's something that he has campaigned for, I should certainly feel that he wants to call some of the Republicans and keep the process going.")

But tax reform isn't the President's only headache this week. A vote is also pending on the Gramm-Rudman bill to curb federal spending. The President, who initially favored the bill, is now known to fear that it could cripple defense spending in the years ahead. Senate Republican leader Bob Dole said Sunday, the time had come for the Administration to decide how it stands on the bill.

(TV coverage of Sen. Dole: "They want to cut federal spending, the result was Gramm-Rudman-Hollings, and the White House has to say well were we for it or were we not.")

The President believes that if the Democratic tax reform plan can pass the House, he'll have a chance to shape it more to his own liking in the Republican controlled Senate. But on Gramm-Rudman he has another problem. If it passes he may have to choose between cutting defense spending and increasing taxes, two choices he finds equally unpalatable.

(ABC-Lead)

(Sunday Evening, December 8, 1985)

TRADE TALKS

Redeker reports Commerce Secretary Malcom Baldrige arrived in Moscow today for what's been called the business summit. A record four hundred American businessmen are in town for trade talks with Soviet officials. They say the spirit of the Geneva summit is improving East-West relations. (CBS-12)

ARENS

Donaldson reports Israeli Cabinet Minister Mosha Arens is back in Israel today after a quick trip to the United States to discuss the Pollard spy case with U.S. officials. Washington wants to interview key Israeli diplomats about Pollard who is accused of spying in this country for Israel, but Jerusalem has been dragging its feet on arrangements. Arens saw Secretary Shultz on the matter and the trip may have helped resolve the dispute. (ABC-3)

OPEC

Redeker reports OPEC oil ministers met twice in Geneva today hoping to resolve differences over prices and productivity. The ministers are worried about how to preserve their share of a dwindling oil market. Some ministers said they'd be willing to let prices drop to \$20 a barrel if there is an all out price war. OPEC prices now range between \$25 and \$29 a barrel. (CBS-2, ABC-6)

PHILIPPINES

Redeker reports in the Philippines today a serious split between top opposition politicians threatened to undermine an election challenge to President Ferdinand Marcos. An agreement by former Senator Salvador Laurel to join Corazon Aquino as her Vice Presidential running mate collapsed in last minute negotiations. (CBS-3, ABC-4)

ABC -- THIS WEEK WITH DAVID BRINKLEY

Moderator: David Brinkley.

Panel: George Will, Sam Donaldson, Morton Kondracke.

Guests: Rep. Dan Rostenkowski, Rep. Robert Michel, Secretary James Baker.

On Tax Reform:

BRINKLEY: Mr. Rostenkowski you have suggested it would be good for the country if the President joined with you in support of this tax bill.... Has the President accepted your invitation publically or privately?

ROSTENKOWSKI: Well it's the President's initiative and I of course feel that it's the best thing for the country. I'd like, certainly, to see the President become a lot more active. I think once we pass the bill in the House of Representatives you'll see him become more active. However, we're going to need Republican votes on this measure and if it's the President's chief domestic issue, it's something that he has campaigned for, I should certainly feel that he wants to call some of the Republicans and keep the process going. That's what it is all about. To move the bill from the Ways and Means Committee to the House floor and into the Senate. If there are measures in the legislation that the President doesn't like, he's got every right in the world to go to the Senate and change them.

DONALDSON: If the Republican substitute fails, and most people think it will fail in the House, will you then vote for the Rostenkowski bill?

MICHEL: Well I cannot. I just think that it is so far afield from what the President had initially asked for and maybe there is some substance to starting all over again....

DONALDSON: What does that portent for the outcome if, as we are told, your substitute goes down, the President swings his full weight behind the Ways and Means Committee bill, but the Republican leader of the House opposes him and opposes the bill?

MICHEL: Well that's the most traumatic thing for me in my five years as his leader in the House of Representatives. It's the first time we have parted company and I regret that. It's not an easy thing for me to do, but you get to a point where you just have to say this is not good mileage for Bob Michel and the majority of the Republicans as they represent their individual districts out there.

On Gramm-Rudman:

WILL: Clarify that scenario where by the intersection of the deficit reduction and tax reform bills might produce in the Senate a push for higher taxes.

THIS WEEK (continued)

MICHEL: Well, because frankly they are going to find if we do adopt Gramm-Rudman, which I hope we do, and then we have to live next year with \$144 billion deficit rather than one that's in the \$200 billion range now, and so many things will have to be given up, and they will really be cutting deeply, including defense, then it seems to me there is going to be serious agitation for a revenue increase component if we don't have as good a growth as would produce those kinds of revenues.

WILL: So you are saying that with Gramm-Rudman there is apt to be pressure not entirely to cut spending, but to raise taxes.

MICHEL: I think there is a good deal of that in the wings.

BRINKLEY: Mr. Rostenkowski said he couldn't get his bill through the House if the President's support was only lukewarm.

BAKER: Well I think the President's support for moving the process along is going to be a lot more than lukewarm and I think he will demonstrate that not only by his words but by his actions. I think it is fair to say that the President feels that it would be fine if the Republican alternative passed and then we would never get to the question. But if it doesn't pass I think he would like to see Republicans vote for the Ways and Means Committee bill.

On McFarlane:

BRINKLEY: One of the no doubt great events this week was the departure of Robert McFarlane from the White House as the President's national security assistant. Is there more here that meets the eye or less?

DONALDSON: Well I think so if you say that the story was that he was forced out because Donald Regan, the Chief of Staff, was abrasive, that their personalities weren't compatible, and that he denied McFarlane access to the President. I think there was some of that, but I can't believe that was the real reason, otherwise you have to believe that Robert McFarlane, a man who rose to become a Lieutenant Colonel in the Marine Corps, was some sort of wimp who could simply be forced out by another man because he didn't let him play in his sand box adequately. I think there must have been personal reasons. Mr. McFarlane wanted to spend more time with his family. In a sense it is a tragic case of what happens in Washington when the pressures of a job come down on any one person. But just don't believe that Donald Regan forced poor little Robert McFarlane out of that office.

KONDRACK: The managing of this has been very messy. You've got almost constant conflict between the Secretary of State, the Secretary of Defense, the head of the CIA, and the man who is the National Security Advisor is supposed to coordinate all this. But this job, from its Kissinger level, has been dwindled down into basically a clerk's job and this guy got crushed basically, fatigued, worn out, got three hours sleep a night and just finally had to quit.

THIS WEEK (continued)

WILL: I think this is a story about the internal culture of government and the declining civility of how we conduct our arguments. The arguments between the United States and the Soviet Union, though bitter, are as nothing to the arguments across the Potomac river between State and Defense and all the rest. And further more, there is a sense in which no argument ever ends in Washington. If you lose in one meeting you carry it to the next. If you lose it at it at the final meeting you take it into the press. Grudges are carried forever. And so there is no sense of the clock running out and you going on to the next picnic. I think sometimes it does us justice here to take people at their word and that he might be tired, he might be tired, not least of all, of living on a government salary. And having served well, I wish him well.

BRINKLEY: I'd like to expand on a point, that Donald Regan could not force poor little Robert McFarlane out of the White House. Suppose you were in that job and Regan tried to push you out. What would you do? You would resist.

###

Editor's note: CBS's Face The Nation program dealt with new breakthroughs in cancer research.

###

NBC -- MEET THE PRESS

Moderator: Bernard Kalb.

Panel: Robert Novak, Albert Hunt.

Guest: Senator Bob Dole.

On a balanced budget:

KALB: Do you think that the President can have it both ways, that is to say increase on the military side, not increase taxes, without having to cut 30 to 50 programs not relating directly to defense?

DOLE: It's going to be very difficult but I think we have to put the focus first on federal spending. We haven't really accomplished much, that's one reason we're in the first or second week of December with still no budget reconciliation and still no passage of the Gramm-Rudman-Hollings proposal.

NOVAK: Are you going to cut 30 to 50 programs and eliminate them totally?

DOLE: No. No way.

On tax reform:

KALB: Do you support the bill that came out of the House Ways and Means Committee on tax reform?

DOLE: Well I'm a little like the President. I support the process and I think the bill itself, I think we can do a lot better. I have a little confidence in the Senate. I think that if it comes to the Senate we can improve it. We can make it again tax reform instead of sort of reshuffling the different loop holes and the different interest groups.

KALB: You don't really think that the bill that came out of the House Ways and Means committee as such, is a bill that can pass the Senate?

DOLE: I would doubt it. I think they should have done something on state and local taxes, I don't think they had to give that away entirely. I think they should have kept the rates as low as the President's and they could have done that had they not caved in on state and local taxes.

HUNT: Do you agree that all three of those have to give. You have give on taxes, you have to give on defense and you have to give on domestic spending?

DOLE: Well you are certainly going to have to give on domestic spending. I assume you are going to have to give more on defense, I mean I think they understand you are going to give more, just how much more do you give? When you get to taxes that's the big hang up. The President says that if he is convinced, and he may be convinced after looking at some of the hard options with Gramm-Rudman, that we've wrung all of the federal spending out of it that we can, then he would agree to look at a tax increase.

MEET THE PRESS (continued)

HUNT: If the House bill passes, let me ask you to give your political judgement. Who has won and who has lost politically in that, Chairman Rostenkowski, Jim Baker, Jack Kemp, Ronald Reagan? What impact does it have politically?

DOLE: I think Jim Baker has won. I think that's a name we haven't mentioned this morning. He's pushing the so-called House tax bill. He's got everything riding on this as far as he is concerned. This is his baby. This is Jim Baker's big agenda, the tax reform bill. He's pushing the White House and I'm certain he's pushing House Republicans to support it.

On Bush RNC poll:

HUNT: The Republican National Committee just did a poll basically for George Bush. The RNC paid for it. Was that proper and should George Bush have to reimburse the RNC?

DOLE: Well it certainly wasn't proper. I mean there is no question about the propriety of it. It was improper. I think many of us wonder what else is going on. Who knows who will run in 1988. When the RNC takes a poll, "how do you get George Bush in the White house in 1988," then some of the rest of us who might even have an outside chance wonder a bit about it.

NOVAK: Do you think he should pay for that poll?

DOLE: Oh I don't know. I don't quarrel with George Bush but somebody ought to pay for it. The problem is they are going to have a violation of the law whatever happens.

###

THE McLAUGHLIN GROUP

Moderator: John McLaughlin.

Panel: Robert Novak, Morton Kondracke, Jack Germond, Jody Powell.

On Robert McFarlane:

McLAUGHLIN: Is there more here than meets the eye, less than meets the eye?

POWELL: Well there is more than meets the eye.... When you get to a point in which you have in Don Regan a Chief of Staff that is probably bid to be the most powerful in modern history, even in the Nixon years you had another power center in the National Security Council, then I think you have some reason to be concerned about whether the President is getting a decent range of views.

NOVAK: A lot of the attention in this town has been put on Don Regan's power. I don't think that's the most important aspect of this shift. I think it is the augmentation of George Shultz's dominance in the foreign policy area, because with John Poindexter, who is the unknown sailor of Washington, I hope you got a good look at him on television because you may never see him again. There is no question that George Shultz is in the catbird seat on foreign policy now and that's something that hardliners don't like.

GERMOND: I think that the most important thing that we have learned from this is here is a President in five years that has had to have four national security advisors. That tells you something about the formation of foreign policy or national security policy in this Administration that is very bad shape.

KONDRACKE: The President floats above this scene and meanwhile there is all this clash of egos and personalities and Bud McFarlane was ground down by a combination process of all the squabbling going on between the major foreign policy figures and Don Regan.

On tax reform:

McLAUGHLIN: Will Mr. Reagan get behind this measure enough so that it will pass the House next week, then go to the Senate next year, then to a Senate-House conference, then to the President's desk?

NOVAK: I really believe that the President is going to have to move some Republican votes to pass this in the House. Once it gets out of the House it's all the way. It's going to take a long time, but you can guarantee there will be a tax bill passed.

KONDRACKE: The White House is not, at this point, pushing as hard as it is going to have to probably in the end. However, the Treasury Department is and is the point for the Administration on this to try to get the Rostenkowski bill through.

POWELL: The bottom line is that the President will have the bill out of the House if he wants it. And if he goes after it he will get it.

-more-

McLAUGHLIN GROUP (continued)

On Bush:

McLAUGHLIN: William Loeb -- publisher of the Manchester Union Leader in New Hampshire for years -- in 1980 Loeb urged readers to reject the presidential candidacy of George Bush "as if it were the plague." Loeb called Bush variously: "incompetent, the hypocrite, a closet liberal soft on communism." Next week, at a special \$250 a plate dinner, a tribute in Washington honoring William Loeb who died four years ago. Who will be the keynote speaker? None other than the Vice President himself George Bush. What does this tell you about George Bush?

POWELL: The Vice President has a political problem that almost defies description. Everything he does seems to contribute to a perception that, well as a comic strip said, he has put his manhood in a blind trust.

NOVAK: Some of the Bushies are very upset that their leader is paying this homage to the Loeb heritage. The fact is the Vice President doesn't know how to handle the right wing. Thursday night, your little magazine, the National Review, had its 30th anniversary dinner in New York. But some how or another, as I predicted, George Bush couldn't find the time to be there.

GERMOND: The real problem with this thing about Bush is that it reveals that he is not getting the best political advice because they would have had the leverage to go those people, Max Hugel and those people, and say look, let's have eight or ten speakers and make him one of them, or six or seven speakers. Don't put him in this embarrassing position.

McLAUGHLIN: Let's face it, this is Max Hugel's way of keeping that little organization going.

Predictions:

POWELL: The Democrats needed at least two out of the three farm states to regain control of the Senate. They ought to take it given the nature of the farm crisis. They look now in Iowa, North Dakota, South Dakota as though they may not get any of those three.

NOVAK: Deputy Secretary of the Treasury Richard Darman, the principle architect of domestic legislation in the Reagan first term met last week over lunch with a corporate head hunter. He may be looking for a soft landing next spring out of government.

GERMOND: Former Defense Secretary and White House Chief of Staff Don Rumsfeld is speaking at Republican meeting early next week coming out of the closet as a presidential candidate. Forget it.

KONDRACKE: The next big departure from the White House will be one of Pat Buchanan's aids.

McLAUGHLIN: Louisiana Governor Edwin Edwards will be found not guilty next week.

AGRONSKY & COMPANY

Moderator: Martin Agronsky.

Panel: Carl Rowan, Elizabeth Drew, Tom Oliphant, James J. Kilpatrick.

On McFarlane:

AGRONSKY: When he quit this week, Robert McFarlane insisted that it was nonsense that he had been forced out by Donald Regan. Was it nonsense?

ROWAN: It was nonsense. You don't say he forced him out, he just made him so miserable that he walked the plank on his own.

DREW: It wasn't nonsense that Don Regan was a big part of the problem. He didn't force him out. This Administration is more torn internally over foreign policy, particularly arms control policy, than any that has preceded it and the main problem is that it lacks leadership and direction from the top, that is, from the President.

OLIPHANT: It certainly was not nonsense if you take the converse of this, if everything were hunky-dory within the Administration, Robert McFarlane would not have left it at such a crucial juncture. But I think the soap opera aspects of this story have been over emphasized and what needs to be emphasized more is what Elizabeth said. He was not a victim of Donald Regan's ambition's so much as he was Ronald Reagan's indecision.

KILPATRICK: Well I'll go with Elizabeth on this one but this is a one day story, it is an inside the beltway story. Bud McFarlane's departure just doesn't mean a thing in the country as a whole and the whole story, I think from that aspect, has been badly overblown.

On James Beggs/General Dynamics:

OLIPHANT: Well to an extent I think two parts of the government are operating at cross purposes. Part one is something that all of us should applaud. I think there is a full scale investigation of General Dynamics going on throughout the country. You have Justice Department task forces in Connecticut on the one hand and California on the other. I think they have been making progress, the activity is very vigorous and should be applauded and was set in motion by the Administration. On the other hand, when it comes to the sanction of withholding contracts from companies found to be misrepresenting on a broad scale, the stretching out of this bidding period on nuclear submarines contracts I think was done to give General Dynamics a chance to still have its contract and I think that raises the prospect that the ultimate sanction on the country may not be as tough as it should be.

ROWAN: This points up what I think is the fundamental problem. Companies like General Dynamics have become virtually an extension of the Pentagon. The Pentagon says: If we don't have General Dynamics it will take much too long for somebody else to get prepared to build this submarine, the national security will suffer. So people sit at a place like General Dynamics and say: Heck your pile of money is my pile of money. How can I be accused of criminal behavior if I am taking money out what virtually is my own pocket.

-more-

AGRONSKY (continued)

On a tax bill:

AGRONSKY: Every indication is that the tax bill is going to come out of House Ways and Means next Tuesday, they'll report it to rules and come to the floor. Do you think that they will pass it by Christmas?

KILPATRICK: Yes, I think they will pass a bill by Christmas. I think that it is probably a pretty good bill that Rostenkowski brought out. Better than I had hoped for some months ago.

OLIPHANT: The President has been asked for his views on this thing and I was shocked last week to see him unable to come up with a clear statement of his views. That's what we call in the politics business a straddle and I think it hurt the cause.

-end-