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# News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, JANUARY 22, 1986 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### INTERNATIONAL NEWS

Reagan Will Seek \$100 Million In Aid For The Contras -- President Reagan will seek \$90 to \$100 million in military and other aid to the rebels seeking the overthrow of the Nicaraguan Government.

(New York Times, Washington Times)

U.S. Oil Prices Decline, Pushing Stocks Lower -- The fall in oil prices pulled American crude oil below \$20 a barrel for the first time, triggering a selling wave on Wall Street by investors worried about lower prices.

(Washington Post, New York Times, AP)

### NATIONAL NEWS

Reagan, Hill Draw Line For Fiscal Battle -- President Reagan and congressional leaders staked out conflicting positions on taxes and government spending.

(Washington Post, Washington Times, Baltimore Sun, Gannett)

Court Allows Damage Suits By Internees -- Japanese Americans detained in camps during World War II can sue the federal government for property losses.

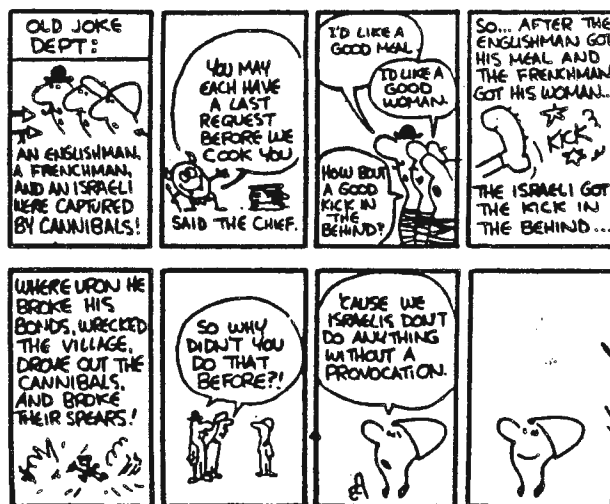
(Washington Post, Washington Times)

### NETWORK NEWS (Tuesday Evening)

CONGRESS/BALANCED BUDGET -- The Congress came back today -- more talk about the billions of dollars in new cuts in federal spending this year.

OIL PRICES -- An ocean of oil engulfed world markets sending oil prices tumbling.

TERRORISM/FEDERAL EMPLOYEES -- The government is stepping up training for many of its employees who travel overseas.



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## INTERNATIONAL NEWS

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### REAGAN WILL SEEK \$100 MILLION IN AID FOR THE CONTRAS

#### He Meets With Senators

WASHINGTON -- President Reagan has decided to seek \$90 million to \$100 million in military and other aid to the rebels seeking the overthrow of the Nicaraguan Government, a ranking White House official said Tuesday. (Bernard Weinraub, New York Times, A1)

#### Reagan Warns Congress On Nicaragua President Expecting Aid Battle

President Reagan, citing the need for military aid to counter Soviet-backed military efforts in Central America, yesterday told GOP congressional leaders that the Kremlin is watching Congress' every move on aid to Nicaragua's anti-Sandinista rebels. In an hour-long White House meeting, Mr. Reagan warned that Nicaragua's Sandinista government "could destroy everything" the United States has accomplished in El Salvador and other parts of the region, according to spokesman Larry Speakes. (Mary Belcher, Washington Times, A1)

### FEBRUARY PRICE OF OIL SKIDS TO \$20 A BARREL

The free fall in oil prices fell below \$20 a barrel for the first time on commodity markets Monday, triggering a selling wave of stocks on Wall Street by investors worried about the impact of lower prices on the energy and banking industries.

The Dow Jones Industrial Average fell 14.68 points to 1,514.45 Tuesday as the volatility in oil prices spilled over into stock markets. (Peter Behr, Washington Post, A1)

#### Cheap Oil: Economic Gains And Risks Found

Crude oil prices fell again yesterday after Monday's sharp decline, with Brent Sea oil, a key barometer of world oil prices, dropping below \$20 a barrel. The decline in oil prices also revived debate of taxing oil imports. (New York Times, A1)

#### Oil Price Decline Continues

The continuing drop in crude oil prices will have favorable consequences for the U.S. economy and consumers, but the "utter chaos in the oil business" bodes ill for oil exporters and debtor nations, analysts said. "It is a complex phenomenon which will affect countries differently," spokesman Larry Speakes said, reading a statement in Washington.

(John Given, AP)

### U.S. BECOMING A HAVEN FOR TERRORISTS, EXPERT SAYS

Senatorial foot-dragging on a treaty amendment to allow extradition of IRA terrorists from the United States is hurting this country's efforts to fight terrorism elsewhere, the State Department's legal adviser, Abraham Sofaer, said Tuesday.

"I don't believe that extradition is a minor part in the war against terrorism," Sofaer told a breakfast meeting of the American Bar Association standing committee on law and national security. "It is a crucial aspect."

The proposed amendment to the extradition treaty between the U.S. and Great Britain would overturn several federal district court rulings that have blocked extradition of members of the IRA wanted by the British for alleged terrorist acts. (Tom Diaz, Washington Times, A1)

### EXPERT SAYS ARMED FORCE AGAINST TERRORISM MISPLACED

SEATTLE -- The way to combat terrorists is to deny them political successes, and that may mean doing away with the outmoded belief that America will protect its citizens anywhere in the world, says a military expert. Retired Army Col. Harry Summers, Jr., a senior military correspondent for 'U.S. News and World Report,' said Tuesday the threat of armed force against terrorism is misplaced.

"The U.S. cannot send troops to bluff with," he said. "The enemy tends to call our bluffs."

Instead, Summers said the United States must clarify its political objectives and decide where its interests lie in order to deal with new forms of "low-level conflict" such as terrorism. (AP)

### FBI SCOFFS AT QADDAFI SUICIDE TEAMS

U.S. terrorism experts believe threats by Libyan leader Col. Muammar Qaddafi to send masses of suicide terrorists into the streets of America are implausible, according to a senior FBI official. "I think it's a complete fabrication," Oliver Revell, FBI executive assistant director, said in an interview. "The operations they have had here weren't planned as suicide operations at all -- they made elaborate plans for escape."

(Bill Gertz, Washington Times, A3)

### U.S. CARRIERS CRUISE NEAR LIBYA

The U.S. aircraft carrier Saratoga has moved into the central Mediterranean, closer to Libya, where it is conducting maneuvers with another carrier already there, the Coral Sea, Pentagon officials said Tuesday. The officials, who spoke on the condition they remain unidentified, said the Soviets continued to maintain their network of spy ships off the coast of Libya and Israel, to give Libya warning of any American or Israeli retaliatory air strike.

(Walter Andrews, Washington Times, A3)

### ISRAEL TO RETURN \$51 MILLION U.S. AID

Israel has agreed in principle that \$51 billion of its \$2 billion in U.S. economic aid for fiscal 1986 should be returned to help meet Gramm-Rudman-Hollings budget cuts, and the two governments are discussing how to do it, Israeli officials said yesterday.

(John Goshko, Washington Post, A14)

### Israel Doing Its Part For Gramm-Rudman

"We will contribute our share," said Dan Halperin, economics minister in the Israeli embassy. "We are now discussing the exact details." In addition to being the largest recipient of American foreign aid, Israel enjoys the perk of receiving its foreign aid money at the beginning of the fiscal year rather than having it doled out for specific projects.

(Matthew Quinn, UPI)

### HEARINGS OPEN ON MARCOSES' ALLEGED N.Y. HOLDINGS

Philippine President Ferdinand Marcos and his wife, Imelda, have invested at least \$250 million in New York real estate as part of a multibillion-dollar export of capital by the Philippine ruling elite, according to charges aired Tuesday before a House subcommittee.

(Joanne Omang/Lena Sun, Washington Post, A1)

### Marcos Hearings Open On Capitol Hill

Rep. Stephen Solarz (D-N.Y.) said Tuesday his House Foreign Affairs Subcommittee has "irrefutable documentary and verbal evidence" showing that the Marcos' family -- despite official denials -- owns "some of the most lucrative commercial real estate in New York City." (UPI)

### MARCOS PLACES VER'S REMOVAL IN QUESTION

MANILA -- President Marcos appeared to back away from an earlier pledge to retire the armed forces chief of staff, Gen. Fabian Ver, before next month's presidential election. By reinstating Ver upon his acquittal, Marcos defied warnings from Washington that "a firestorm in Congress would result," endangering U.S. aid. Secretary Shultz described the reinstatement as "a problem," and U.S. officials said it hurt efforts to promote sweeping military reforms needed to restore professionalism in the armed forces and counter a growing communist insurgency.

(Washington Post, A15)

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Congress, State Department Assail Marcos

President Marcos was attacked on two fronts yesterday as the U.S. State Department criticized him for refusing to fire a controversial general and a congressional subcommittee investigated charges that he used millions in U.S. aid to buy New York real estate.

Both developments underscore repeated warnings from the Reagan Administration that Marcos clean up his government and reform a disorganized military before it is overpowered by a growing communist insurgency.

(James Morrison, Washington Times, A7)

SHIFT IN HONDURAS FACILITATING CONTRA AID

TEGUCIGALPA, Honduras -- The incoming Honduran administration is expected to lift the current ban on most deliveries of U.S. assistance for Nicaraguan rebels after President-elect Jose Azcona takes advice next Monday, according to a variety of well-placed sources.

(Robert McCartney, Washington Post, A13)

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## NATIONAL NEWS

### REAGAN, HILL DRAW HILL FOR DRAW LINE FOR FISCAL BATTLE

President Reagan and congressional leaders staked out sharply conflicting positions on taxes and government spending as the 99th Congress reconvened for what is expected to be a tumultuous election-year second session. There was general agreement among Republican and Democrat leaders on Capitol Hill that a budget compromise linked to tax increases will be impossible without active support from the White House.

(Helen Dewar/Edward Walsh, Washington Post, A1)

### GOP Senators Mute Call For Tax Increase

WASHINGTON -- Congressional demands for a tax increase to reduce the deficit cooled Tuesday as Senate Republican leaders, after huddling with an unyielding President Reagan, said they would not press for such action on their own.

"The President said a tax increase is off the table and we got the message," Sen. Dole told reporters at the Capitol following a meeting of GOP leaders with Mr. Reagan at the White House.

(Robert Timberg/Nancy Schwerzler, Baltimore Sun, A1)

### Reagan And Leaders Spar On Tax Rise

President Reagan Tuesday promised that his 1987 budget plan would increase military spending without raising taxes, but congressional leaders said defense cuts and a tax increase are inevitable. Reagan, who met yesterday with GOP leaders as the new congressional session opened, said his budget would meet the \$144 billion deficit-reduction target required by the newly enacted Gramm-Rudman law.

(Mary Belcher, Washington Times, A1)

### Gramm-Rudman

With final fine-tuning performed by Comptroller General Charles Bowsher, a package of \$11.7 billion in budget cuts for this fiscal year is on President Reagan's desk.

The cuts are the first under the Gramm-Rudman budget balancing law, which requires annual reductions in the federal budget deficit, leading to a balanced budget by 1991.

(Gannett)

### COURT HOLDS JAPANESE-AMERICANS CAN SUE OVER INDUCTION

Nearly 100,000 Japanese-Americans could each collect \$10,000 if their lawyers win the case, legal experts said yesterday. A spokeswoman for the Justice Department, which contested the suit, said no decision had been made about an appeal, and the government refused to comment further.

(Michael Hedges, Washington Times, A5)

### Court Allows Damage Suits By Internees

Japanese Americans detained in relocation camps during World War II and never compensated can sue the federal government for property losses, the U.S. Court of Appeals here ruled Tuesday. A three-judge panel, split 2 to 1, reversed a lower court ruling that found the statute of limitations had expired.

A Justice Department spokesman said the department had no comment on the ruling. (Nancy Lewis, Washington Post, A1)

### HOSTAGE FAMILIES VISIT WHITE HOUSE

Relatives of the American hostages in Lebanon, vowing to keep coming back to the nation's capital until their loved ones are free, paid visits yesterday to the White House, Capitol Hill, and the Syrian and Algerian embassies. (Washington Times, A4)

### Kin Of Lebanese Hostages Continue Meetings With Officials

Unwavering in their determination, the families of the six American hostages in Lebanon are concluding their talks today with U.S. and foreign officials who they hope might gain freedom for the captives.

In their 30-minute session with National Security Adviser John Poindexter, the families unfurled part of the 900-foot yellow cloth ribbon that had been signed by more than 7,200 Americans.

The ribbon, made by relatives of hostage Terry Anderson, urges President Reagan to work for the hostages' release. (Joan Mower, AP)

### Relatives Step Up Appeal For Hostages' Freedom

The family members said they received assurances of government efforts to win the release of the Americans, but there were no indications of a breakthrough.

The group of 10 relatives met Tuesday with Poindexter, Syrian and Algerian diplomats and Rep. Hamilton (D-Ind.). They planned three more Capitol Hill sessions today. (Charles Abbott, UPI)

### MAYORS ASK CONGRESS TO AVOID URBAN CUTS

Armed with a report saying demand for emergency food and housing has risen in cities, a group of the nation's mayors is urging Congress not to cut federal aid to local governments for those and other services. As leading mayors press their case for federal aid today before the House Budget Committee, the U.S. Conference of Mayors released a 25-city survey showing that in many cities hungry and homeless people are being turned away from food and shelter programs because there isn't enough to go around. (AP)



Nation's Mayors Stumping To Ease Blow Of Budget Cuts

The mayors, in a report scheduled for release today say the demand for aid to the hungry and homeless in 25 major cities has increased -- in some cities substantially -- while the Reagan Administration and Congress contemplate deep cuts. (Isaiah Poole, Washington Times, A5)

FBI WELCOMES EASED RESTRICTIONS ON MONITERING  
DOMESTIC GROUPS

The Reagan Administration's easing of curbs on FBI internal security investigations has instilled a sense of "realism" in agents responsible for handling violence-prone political organizations, according to Oliver Revell, the bureau's top terrorism expert.

Mr. Revell still prohibits FBI agents from checking into every U.S. domestic group to determine if it poses a threat.

(Bill Gertz, Washington Times, A3)

Supreme Court Limits Prisoners' Rights In Negligence Cases

In rulings welcomed by law enforcement officials and the Reagan Administration, the Supreme Court has dealt a setback to inmates who claim negligent prison officials fail to protect them against beatings and everyday mishaps.

The court ruled Tuesday in separate cases in New Jersey and Virginia that prisoners have limited legal remedies for injuries caused by the negligence of prison officials. (AP)

SUPREME COURT RULES THAT 10-YEAR-OLD CHARGES  
DO NOT BREACH RIGHT TO FAST TRIAL

The Supreme Court ruled 5 to 4 yesterday that the Constitution's guarantee of a speedy trial does not bar the federal government from prosecuting Indian activist Dennis Banks and three others on 10-year-old firearms charges. Justice Powell, writing for the majority in U.S. versus Kenneth Moses Loud Hawk, overturned an appeals court ruling that the lengthy delays for pretrial rulings and appeals violated the defendants' rights. (Al Kamen, Washington Post, A7)

TIME RUNNING OUT FOR REAGAN TO RESHAPE COURT

As a simple matter of actuarial fact, President Reagan was believed likely to have the opportunity to make five appointments to the aging Supreme Court. But now, entering the sixth year of the Reagan era, time is beginning to run out.

Reagan has, at most, two more years to put his mark on the high court. And with control of the Senate at stake in this year's elections, he may have considerably less time than that.

(Al Kamen, Washington Post, A17)

## POLL TO SEEK GOP FAVORITE FOR '88

Delegates and alternates to the last three GOP National Conventions will be polled this weekend, along with a sampling of organizations representing 2.2 million conservatives, to determine their preferences for president in 1988.

Survey results will be compiled Friday through Tuesday by pollster Arthur Finkelstein for CPAC '86 -- the 13th annual Conservative Political Action Conference to be held Jan. 31 through Feb. 1 at the Washington Hilton hotel. (Bill Kling, Washington Times A5)

## REP. KEMP GETS BUSH-PACed

Vice President Bush's political action committee, the Fund for America's Future, has unveiled a New York Congressional Steering Committee that includes 14 of the 15 members of the state GOP delegation. The name deliciously missing from the roster is also the intended victim of the exercise: Rep. Jack Kemp, Bush's principal early challenger for the 1988 Republican presidential nomination.

(Paul Taylor, Washington Post, A12)

## Kemp Absent From Bush PAC's New York Steering Group

WASHINGTON -- For reasons officials said were "obvious," Rep. Jack Kemp was the only New York Republican congressman not invited by Vice President George Bush's political action committee to help GOP candidates in 1986.

"He's got his own PAC. It never really crossed our mind to invite him. Then again, he's never really invited us," said Bob Phillips, executive director of The Fund for America's Future, Bush's committee.

A Kemp aide questioned the fund's real intent.

"If the actual goals of the Fund for America's Future are what they're stated as being, which is to help elect congressmen and senators in 1986, they could have had 15 out of 15 (New York GOP Congressmen)," said John Buckley, Kemp's press secretary. (Eileen Putnam, AP)

## SENATORS URGE REAGAN TO ABANDON SALT II

Senate conservatives have joined Pentagon hardliners in pressing the Reagan Administration to abandon the unratified SALT II treaty, with Senate conservatives challenging the legality of adhering to the strategic arms pact while a Defense Department paper proposes U.S. counter-responses to Soviet violations.

Administration officials say the policy debate within the Administration has pitted the Pentagon against the State Department, which favors continued compliance with SALT II. (Bill Gertz, Washington Times, A5)

## EX-OFFICERS FOR CHEMICAL ARMS

The Defense Department paid outside contractors, including a group of retired generals and admirals, \$890,000 over the last three years for studies to help overcome congressional opposition to new chemical weapons, according to Pentagon officials. (Walter Pincus, Washington Post, A4)

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### NAVY NUCLEAR WEAPON SAFEGUARDS HIT

U.S. Navy policies probably create "a greater likelihood of accidental or unauthorized launch of sea-based nuclear weapons" than those on land, according to a study this month by Desmond Ball, an expert on nuclear strategy and head of the Strategic and Defence chapter of the Australian National University. (Walter Pincus, Washington Post, A1)

### NANCY LAUNCHES NEW CRUSADE

First Lady Nancy Reagan yesterday hosted a White House luncheon to set in motion 'Chemical People II' -- a follow-up to the successful public television outreach project that two years ago focused national attention on the problem of teenage drug and alcohol abuse. (Washington Times, A4)

### LAME-DUCK SYNFUEL UNIT VOTES \$327 MILLION AID

The Synthetic Fuels Corp., headed for extinction in less than three months, yesterday approved a \$327 million loan guarantee for an oil-shale project in Colorado despite a congressional directive to stop spending money. The corporation's five-member board unanimously voted to grant the assistance to Union Oil Co.'s plant in Parachute Creek, Colo., after agency lawyers said a case could be made that Union Oil had been promised the aid under an earlier contract. (Washington Post, A17)

### Abolished Agency Opens Door For \$900 Million Aid Package

The Synthetic Fuels Corp., meeting for what probably will be the last time, has authorized \$327 million in new government subsidies for a Union Oil Co. shale oil project in Colorado. The five directors of the quasi-government lending bank agreed Tuesday to approve the federal loan guarantees for Union's Parachute Creek project, fulfilling a promise White House Chief of Staff Donald Regan made in December. (AP)

EDITOR'S NOTE: 'Three Senators: Gramm, Rudman, Hollings & The Budget Revolution They Wrought,' Washington Post, C1.

-End of A-Section-

## **NETWORK NEWS SUMMARY**

### **REAGAN WARNS CONGRESS ON NICARAGUA President Expecting Aid Battle**

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### **U.S. BECOMING A HAVEN FOR TERRORISTS, EXPERT SAYS**

Senatorial foot-dragging on a treaty amendment to allow extradition of IRA terrorists from the United States is hurting this country's efforts to fight terrorism elsewhere, the State Department's legal adviser, Abraham Sofaer, said Tuesday.

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The proposed amendment to the extradition treaty between the U.S. and Great Britain would overturn several federal district court rulings that have blocked extradition of members of the IRA wanted by the British for alleged terrorist acts.

(Tom Diaz, Washington Times, A1)

Hume continues:

(Sen. Pete Domenici: "When they all look at it and see they are going to get clobbered, I look for a compromise at very high levels between the White House and Congress and quickly, not late.")

But there seems only one way to spell compromise that would protect both defense and domestic programs and that is t-a-x-e-s, an issue Mr. Reagan hardly seems likely to give on at this early stage.

(ABC-8)

NBC's Bob Kerr: There are several issues on the agenda, but one question predominates this year.

(Rep. George Gekas: "Mr. Speaker, members of the House, who's afraid of the big Gramm-Rudman? Apparently many members of Congress are.")

With the ink on the balanced budget law barely dry, House and Senate leaders already predict it will be bent, possibly through parliamentary delay.

(Speaker O'Neill: "The interesting thing is, you let it stay on the books, you win points aboard or you circumvent it.")

(Sen. Robert Dole: "We're talking about \$50 -- \$60 billion in the second wave of Gramm-Rudman in spending cuts. Believe me -- that's impossible.")

On this picture-perfect opening day, almost all members here realize that last month's Gramm-Rudman vote is this month's big headache.

(Sen. Pete Domenici: "Nobody voted for it with any sense that really wanted it to happen.")

But it is happening. And Sens. Gramm and Rudman -- two of its authors -- remain confident today that their bill will force Congress to make drastic budget cuts. The bill's third author, however, insists it can not work without a tax increase.

(Sen. Fritz Hollings: "I think there will be some revenues in this picture. That's the whole thing -- to present a balanced kind of budget program.")

But at a White House meeting with congressional leaders, President Reagan repeated his insistence on Gramm-Rudman cuts without raising taxes or cutting military spending. (TV coverage of leaders entering West Wing.) Spokesman Larry Speakes was warning that cutting defense could jeopardize arms negotiations.

(Larry Speakes: "We already see indications that Gorbachev is watching to see how our budget process plays out.")

The hope here is that to avoid automatic cuts, the President can be drawn into formal negotiations to reduce the deficit through spending cuts and taxes.

(NBC-2)

## OIL PRICES

Rather reports an ocean of oil -- it engulfed world markets today sending oil prices tumbling. The White House called the price free-fall favorable news for the U.S. economy and especially for you, the consumer. It triggered a sinking sensation on Wall Street, but it launched the heaviest trading day ever for crude oil on the New York Mercantile exchange.

(ABC-7, CBS-1)

#### BEIRUT CAR BOMB

Rather reports a quarter-ton car bomb exploded with a deafening roar today at a crowded intersection in Christian East Beirut. As many as 27 people were killed, more than one hundred wounded.

(CBS-13, ABC-2, NBC-4)

#### CITIES/MAYORS

NBC's Roger Mudd: A survey of 25 American cities, done for the Conference of Mayors, indicates tonight the national economic recovery has not helped improve local poverty. The mayors reported that on an average in 1985, the demand for emergency food rose 28% and the demand for shelter rose 90%.

(NBC-3)

#### BANK OF AMERICA

Mudd reports the Treasury Department today slapped the Bank of America with the biggest fine it has ever imposed, four and three-quarter million dollars. A federal law designed to curb money laundering requires banks to report all cash transactions of more than \$10,000. The Bank of America was accused of violating that law 17,000 times.

(NBC-9, CBS-7)

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(NBC-9, CBS-7)

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## EDITORIALS/COLUMNISTS

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### GORBACHEV ARMS PROPOSAL

The Gorbachev Proposals: Less Arms, More Security -- "It's unrealistic to hope that the world can rid itself of nuclear weapons. But Soviet leader Mikhail Gorbachev's offer to gradually eliminate all nuclear weapons by 2000 is a welcome prod to White House -- and public -- thinking on how to prevent nuclear war." (Philadelphia Inquirer, 1/19)

Gorbachev Gestures -- "Gorbachev's grandiose vision of a nuclear-free world by the end of the century is of less immediate importance than his shift toward Reagan's 'zero option' formula to eliminate intermediate-range missiles from the European scene. By dropping his demand that the British and French nuclear forces be included in the trade-off, the Soviet leader seemingly eliminated a major obstacle to an agreement. As is the case with most Soviet peace packages, however, the Gorbachev proposal contained enough booby-traps and ambiguities to keep Geneva negotiators well occupied until the next summit." (Baltimore Sun, 1/19)

First Things First in Limiting Nuclear Arms -- "Washington can't realistically expect the Soviets to junk nuclear warheads while the United States builds a system to destroy those that are left. It should agree in principle to join Gorbachev in seeking 'mutually acceptable and strictly verifiable agreements' limiting 'Star Wars' development and testing. And especially, instead of simply rejecting his invitation to join a moratorium on nuclear testing, it should thoroughly explore his offer of 'on-site inspections whenever necessary' to monitor it." (Newsday, 1/17)

Disarmament By Stages -- "The Kremlin's proposal for staged reductions in nuclear weaponry and its three month extension of the unilateral moratorium on test explosions are keeping political pressure on the Reagan Administration.... In recent months, Soviet arms-control positions have had increasing appeal to the Western public. President Reagan should modify his goals on 'Star Wars' and muster the flexibility, initiative and realism needed to match Gorbachev's pace -- and possibly steal his thunder." (Boston Globe, 1/20)

A Bright Hope Shines On Geneva -- "Mikhail Gorbachev's arms control proposals are the most interesting to come out of Moscow in a generation. If they're for real, not a propaganda ploy, it could mean he wants to abandon the arms race.... There are still problems, major differences. But the most important thing is that there's movement. And that offers brighter hope for nuclear arms control -- and for reduction -- than there has been in a long time." (New York Daily News, 1/20)

Arms Offer Good Start -- "Before real arms control progress can be made, the United States must take its own arms reduction efforts seriously and resolve the basic conflict between the desired goal of reducing nuclear weapons and the Pentagon's plan to modernize them. That the Soviets may at long last be making serious proposals should encourage the Administration to respond equally seriously and to ensure that its expensive defense buildup is not allowed to block potential progress at Geneva." (Oregonian, 1/17)



## HOMELESS

Politicizing the Homeless -- "Mitch Snyder's shelter for the homeless in Washington, D.C., is known beyond the nation's capital. Two days before the end of the 1984 Presidential campaign, the activist's 51-day hunger strike prompted President Reagan to promise that he would refurbish the dilapidated building into a 'model shelter' if he was re-elected.... During Christmas week, outgoing HHS chief of staff C. McClain Haddow announced plans to evict the residents -- forcibly, if necessary -- to end the stale mate. He claimed residents had fortified the shelter against assault and armed themselves. To his credit, President Reagan, after learning of the eviction order, canceled it and moved to calm the situation.... The controversy demonstrates how defiant of solutions the problems of the homeless can become when cooperation is lacking. Mr. Reagan's humanitarian stay of execution for the shelter may only encourage more confrontation from Mr. Snyder, but the President did the right thing -- at least until a better solution is found." (Hartford Courant, 1/18)

## GRAMM-RUDMAN

Indecent Acts -- "There is talk of short-circuiting the cumbersome budget process this year with a series of summit conferences that would avoid the mayhem that Gramm-Rudman would do to the full-year 1987 budget. This effort should be tried, but it will be fruitless if the White House refuses to participate or continues to insist on 3% real growth in the defense budget while domestic programs are decimated. The White House seems to be gambling that the people don't care what indecent acts are committed on their government as long as their taxes don't go up. We're willing to bet otherwise." (Los Angeles Times, 1/21)

Wake up to Gramm-Rudman -- "President Reagan may be the only key figure in government who still thinks that the deficit can get down to zero by cuts alone. Everyone else is talking about two alternatives: meeting the Gramm-Rudman goals through a combination of spending cuts and revenue increases or finding a way to scrap the law and its budget-balancing timetable. There is only one responsible choice. For the sake of the nation's economic security, do it through a combination of less spending and more revenue." (Chicago Tribune, 1/19)

## INSTITUTE OF PEACE

Peace? No Rush, Guys -- "In October 1984, President Reagan signed legislation establishing a United States Institute of Peace. Fifteen months later, the Institute's Board of Directors still hasn't been filled. Four members of the 15 person board are designated by law, the rest were to be recommended by the President and confirmed by the Senate. Only 13 names altogether have gone to the Senate -- all of them male.... Denying women a voice in overseeing the peace institute would not make sense. It would deprive the agency of an essential diversity in the search for ways to promote non-violent alternatives to war." (Hartford Courant, 1/21)

## FOREIGN MEDIA REACTION

### MARTIN LUTHER KING/PRESIDENT REAGAN

"Paradoxically, Reagan -- one of the most conservative presidents in American history but also one of the most sensitive to public opinion -- have American blacks their day of pride. But there were also 'racist signals' -- as Jesse Jackson calls them. Some states in the deep South did not observe the holiday..."  
(La Stampa, Italy)

"Black America has been insisting for two decades that it see this moment. It faced considerable resistance, also on the part of President Reagan, who for a long time opposed this holiday..."  
(La Repubblica, Italy)

"President Reagan agreed to this holiday only reluctantly. But he nevertheless sent Vice President Bush to Atlanta to gain black support..."  
(TV-One, West Germany)

### ARMS CONTROL

"The essentially positive, though cautious, reaction of the White House (to Gorbachev's new disarmament plan) reflects a desire to examine thoroughly the possibilities contained...without getting involved...in a useless dispute on the public relations elements."  
(Corriere della Sera, Italy)

"Is there, after all, a positive side to Reagan's crazy Star Wars dreams? Without the threat of this Strategic Defense Initiative, Gorbachev's disarmament experts would hardly have had to work out such a comprehensive and, in many points, new concept..."  
(Kronen-Zeitung, Austria)

"The notion of a binding, world-wide accord which bans nuclear weapons altogether seems to indicate Moscow's increasing despair over Mr. Reagan's continued support for SDI..."  
(Melbourne Age, Australia)

"Washington is entitled to study [Gorbachev's proposal] carefully, but the world as a whole is not entitled to an outright rejection. If the United States does not approve of some of the terms, it should say what they are and why they are unacceptable. Then a counterproposal could be made and the whole matter could be carried toward a mutually agreed conclusion."  
(New Straits Times, Malaysia)

### PHILIPPINES

"Should the February elections be seen to have been manipulated in any way by Marcos, then Reagan will come under enormous pressure...to cut off all military and economic aid to the Marcos Government.... Should the United States either withdraw support for the Philippines or be forced out, it will destabilize the entire Western Pacific region and give the Soviets the opportunity to establish a greater presence in a region only a few thousand kilometers north of our shores."  
(Australian)