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News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, MARCH 21, 1986 -- 6 a.m. EST EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Rebel Aid Loses By 12 House Votes -- The House yesterday rejected President Reagan's \$100 million aid request for the Nicaraguan resistance -- a bitter defeat the President said would be turned around next week in the Senate.

(Washington Post, Washington Times, New York Times, USA Today, Chicago Tribune, Christian Science Monitor, AP, UPI, Reuter)

Official Says Request To Take Marcos Rejected

PANAMA CITY, Panama -- Panama has rejected ousted president Marcos' request for refuge, a government official said. (Washington Post, AP)

NATIONAL NEWS

Senate Panel's Budget In Trouble With GOP -- The Senate Budget Committee's tax-and-spending blueprint for next year ran into problems with Republicans yesterday, even as it was hailed as a "good start" by the chief budget-writer for House Democrats. (Washington Post)

Congress Completes Cigarette Tax Hike, Deficit Cut Bill -- Congress completed legislation tonight to continue the current 16 cent a pack cigarette tax as part of a four-year, \$25 billion deficit cutting measure. After a month-long delay, the legislation cleared the House on a 230 to 154 vote and went to President Reagan for his expected signature.

(Washington Times, Reuter)

NETWORK NEWS (Thursday Evening)

NICARAGUA -- From the Democratic side of the House floor came a loud cheer when they had defeated the President.

U.S-LIBYA SHOWDOWN -- Pentagon officials said U.S. fighter planes and Navy ships will cross "the line of death" this weekend.

FIRST LADY -- No one was hurt, but the First Lady and her party got a scare in a mishap.

By the way, March 2-8 was National Procrastination Week.

The Orange County Register

Tuesday, March 11, 1986

INTERNATIONAL NEWS

HOUSE DEFEATS REAGAN REQUEST FOR CONTRA AID

The Democratic-controlled House rejected President Reagan's \$100 million aid package for the Nicaraguan rebels by a margin of 12 votes yesterday, winning the first round in a bruising political battle with the White House that both sides agree is far from over.

Sixteen Republicans, defying intense pressure from the Administration, joined 206 Democrats to defeat the proposal, 222 to 210.

In a statement, the President also predicted ultimate victory, vowing "to come back again and again until this battle is won, until freedom is given the chance it deserves in Nicaragua.

(Edward Walsh, Washington Post, A1)

Rebel Aid Loses By 12 House Votes

The House yesterday rejected President Reagan's \$100 million aid request for the Nicaraguan resistance -- a bitter defeat the President said would be turned around next week in the Senate.

The White House acknowledged the loss was a blow to Mr. Reagan's top foreign policy issue, but insisted the setback would be reversed. "Today's vote in the House was a dark day for freedom," Mr. Reagan said. "You have my solemn determination to come back, again and again, until this battle is won, until freedom is given the chance it deserves in Nicaragua."

(Christopher Simpson & Mary Belcher, Washington Times, A1)

House Contra Aid Defeat Sets Stage For Congressional Battle

President Reagan has suffered a major setback in his bid to win new aid for Nicaraguan rebels but yesterday's House vote was only part of what could become a lengthy war with Congress.

The vote, which brushed aside a last-minute White House compromise offer, has virtually killed Reagan's chances of winning an unconditional aid package -- although he could still get all or part of the \$100 million with ties.

(Sue Baker, Reuter)

House Defeats Contra Aid

The House handed President Reagan the biggest foreign policy defeat of his second term by narrowly voting against giving \$100 million in aid to the Contra rebels fighting Nicaragua's Sandinista government.

Brushing aside Reagan's last-minute offer to delay some military aid while pursuing a diplomatic solution to the Nicaraguan conflict, the House split almost along party lines thursday to reject the package, 222-210.

(Michael Myers, UPI)

Reagan Defeated On House Contra Aid Bill

The House today rejected President Reagan's request to send \$100 million to rebels fighting to overthrow the Nicaraguan Government. The vote was 222 to 210, with 16 Republicans joining 206 Democrats in rebuffing the President on what he described as a major test of his presidency.

(Steven Roberts, New York Times, A1)

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U.S./Nicaragua

A sharply divided House, on a 222-210 vote Thursday, defeated President Reagan's plan to send \$100 million in mostly military aid to Nicaraguan rebels. The dramatic setback followed intense personal lobbying by the President, who said: "This vote must be reversed."

Reagan, in a statement, said, "We're gaining converts, and the next battle will bring us victory." He said his effort would resume Friday and GOP leaders predicted the Senate would approve Reagan's plan next week.

(Robert Parry, AP)

President Turns To The Senate In Fight For Bill

White House officials said today that, with the House rejection of President Reagan's \$100 million aid package to Nicaraguan rebels, they were placing their hopes on the Senate.

At the same time, they conceded that some serious tactical mistakes had been made in the battle in the House.

(Gerald Boyd, New York Times, A1)

Reagan Loses On Contra Aid

The Democratic-controlled House on Thursday defeated President Reagan's request for \$100 million in military aid to Nicaraguan rebels. But the action does not mean that Reagan's efforts to win renewed U.S. military aid to the contra rebels is dead.

Key Democrats have acknowledged privately that Congress is almost certain to approve some form of aid for the rebels fighting to overthrow Nicaragua's leftist government.

(AP story, Chicago Tribune, A1)

Reagan loses First Round In "Contra" Aid Vote

Though the President has lost a battle, he may yet win the war to bolster the military fortunes of the contras.

By the time the 99th Congress is relegated to history, U.S. military and humanitarian aid to the rebels, as sought by Mr. Reagan, will have been approved. Defeat or victory in the House yesterday carried relatively little significance in the final analysis.

(Peter Osterlund, Christian Science Monitor, A1)

Reagan Down, But Not Out On Contra Aid

President Reagan, shaking off a major defeat on Nicaraguan aid Thursday, vowed to "come back, again and again, until this battle is won." Starting today, Reagan presses his fight in the Senate, which opens debate today.

But in rejecting Reagan's plan, congressmen sent the White House two clear messages: Get serious about diplomacy and stop "red-baiting." The House vote also underscored the difficulty Reagan has gaining support for his Central American policies.

(Fred Anklam & Johanna Neuman, USA Today, A1)

PROSPECTS GOOD FOR CAMPAIGN TO REVERSE TALLY

President Reagan, his prestige chipped by yesterday's failed effort to gain passage of the \$100 million aid bill for the Nicaraguan resistance, remains adamant in his resolve to support the anti-communist rebels.

There are, in fact, good prospects of success in a second effort. Though the atmosphere in the White House was subdued, Administration officials yesterday seemed buoyed by the prospect of a second crack at the issue in the House by April 15, and all-but-certain passage of a Contra-aid measure in the Senate.

(Jeremiah O'Leary, News Analysis, Washington Times, A1)

REBEL LEADERS STILL HOPING FOR U.S. AID

The House defeat of President Reagan's request for \$100 million for the Nicaraguan rebels was a "stunning blow," three rebel leaders said yesterday.

"It is indeed a stunning blow to thousands of Nicaraguan's who are facing overwhelming odds," said Arturo Cruz, one of the leaders of the United Nicaraguan Opposition, an umbrella group for rebels fighting the Marxist Sandinista government. (James Morrison, Washington Times, A8)

U.S. THREAT REMAINS DESPITE CONGRESS VOTE, ORTEGA SAYS

MANAGUA, Nicaragua -- The House of Representative's rejection of a \$100 million aid package to the contra rebels does not mean the bloodshed in Nicaragua will end, President Daniel Ortega said.

Despite the defeat of President Reagan's mostly-military aid request to the rebels the "U.S. terrorist policy" against Nicaragua would continue, Ortega said. (Matthew Campbell, Reuter)

MARCOS FAMILY MOVING TO PANAMA

Deposed president Marcos has negotiated arrangements to move to Panama for an indefinite period and is likely to leave the United States, perhaps early today, State Department officials said last night.

Marcos is expected to leave Honolulu as he arrived, in an Air Force plane provided by the Reagan Administration in fulfillment of its guarantee that he would be treated with "dignity and honor" in this country if he relinquished power peacefully. (Don Oberdorfer, Washington Post, A1)

Marcos/Panama

Reagan Administration sources said Thursday night that a plan for a Panamanian exile for former president Marcos "does not look hopeful." It was learned the Panamanians had told Washington Marcos would not be welcome. An Administration source, who spoke on the condition he not be identified, said, "This business of (Marcos) going to Panama was never certain."

Both the White House and the State Department had said Marcos expressed interest in going from Hawaii to a third country, but declined to identify any of the several nations they said were under considerations.

(Gregory Nokes, AP)

Official Says Request To Take Marcos Rejected

PANAMA CITY, Panama -- Panama has rejected ousted president Marcos' request for refuge, a government official said. The official, who spoke on condition he not be identified, said Thursday night the decision came after a meeting between President Eric Arturo Delvalle and other ranking Panamanian officials. He said official announcement would be made today, but refused to elaborate further. (Reid Miller, AP)

PRESIDENT DECLINES VISIT FROM BONNER

Yelena Bonner met this week with John Poindexter at the White House, but President Reagan decided not to see her out of concern that such a meeting could upset efforts to win freedom for others, Administration officials said yesterday.

The meeting with Poindexter was "cool and correct," according to an informed source. "She was not happy." Another source said Bonner was told Reagan decided not to see her out of fear that if he did, the Soviet authorities might be tempted to deny her reentry to the Soviet Union.

(David Hoffman, Washington Post, A1)

Reagan/Bonner

Yelena Bonner met this week with a White House official, but President Reagan decided not to see her for fear of upsetting efforts to win freedom for others, according to published report.

Albert Brashear said he did not know of any meeting between Mrs. Bonner and John Poindexter, as reported in Friday's editions of the Washington Post.

But, he said the President would not have refused to meet the wife of Sakharov. "The President personally would not have refused such a meeting request for fear of upsetting future prospects. His record is clear and he certainly stands firmly on the side of those whose rights have been suppressed," Brashear said Thursday night. (AP)

U.S. NAVAL FORCES TO CROSS QADDAFI'S "LINE OF DEATH" SOON

The United States, sending three U.S. aircraft carriers and 27 warships in the Mediterranean toward Libya, plans to cross within the next two weeks "the line of death" Libyan leader Qaddafi has drawn across the Gulf of Sidra, Administration officials said yesterday.

President Reagan has approved the ship movement, officials said, as a massive display of force that would only lead to shooting if Qaddafi fired first. Officials, who declined to be identified, said the action is not aimed at provoking Qaddafi into attacking U.S. ships or planes but acknowledged that detailed plans have been made to shoot back if that should happen.

(George Wilson, Washington Post, A1)

HOUSE PANEL VOTES ANTITERROR MONEY

The House Appropriations Committee yesterday approved an urgent supplemental spending bill that would provide about \$1 billion in new money for overseas embassy security, air traffic control, congressional mailing and a raft of other programs during this fiscal year.

(Ward Sinclair, Washington Post, A4)

BRITISH GROUP OFFERING TO BUY DULLES, NATIONAL

A group of private investors, backed by the British banking firm of N.M. Rothchild and Sons, is offering up \$1 billion to buy National and Dulles airports from the federal government.

(Michael Specter, Washington Post, A4)

SOVIET CHALLENGES U.S. NUCLEAR ARMS STANCE

PRAGUE -- Soviet Foreign Minister Shevardnadze charged that U.S. proposals for reducing nuclear arsenals, including intermediate-range missiles in Europe, show that Washington "is clearly unwilling" to reach an agreement.

Reiterating Moscow's call for a ban on nuclear testing, Shevardnadze also said in an interview with the Polish news agency PAP that the U.S. reply had been "an invitation to take part in a summer season of nuclear tests in Nevada. Such a show is not necessary either for us or for mankind."

(Jackson Diehl, Washington Post, A48)

WHITE HOUSE SAYS RUSSIANS FAIL TO RESPOND TO TROOP CONCESSIONS

The White House bluntly criticized the Soviet Union yesterday for failing to respond to Western concessions that had been expected to pave the way to an agreement on reducing troop strengths in Central Europe.

The U.S. side called on Soviet negotiators to follow through on Moscow's apparent willingness to agree on verification "but that has not borne fruit," Larry Speakes said. "They are not putting on the table what their leaders are saying."

In a prepared statement, the Reagan Administration charged that the Soviet Union and its allies "have not responded constructively to the recent Western initiatives that they had sought to make substantial progress in these negotiations."

(Roger Fontaine, Washington Times, A5)

PENTAGON OPPOSES BALDRIGE ON SOVIET TRADE

A call by Secretary Baldrige to reduce by 30 percent to 40 percent the list of the high-technology goods banned for export to the Soviet bloc drew sharp warning from the Pentagon that any cuts would be "extremely harmful" to U.S. national security.

An Administration official, who spoke on the condition he remained anonymous, said businessmen favor Mr. Baldrige's proposal as a way to reduce Pentagon control over U.S.-Soviet trade.

(Bill Gertz, Washington Times, A2)

SOVIETS WANT SUMMIT TO YIELD RESULTS

MOSCOW -- The Soviet Union said yesterday it favored a second summit between President Reagan and Mikhail Gorbachev but that there should be concrete results, particularly on security matters.

Secretary Shultz expressed the U.S. position Wednesday as favoring a summit without any direct link to arms-control agreements. Mr. Shultz said the United States favored June or July for the second summit. Moscow informally suggested September, which the Americans consider too close to midterm congressional elections. (Washington Times, A7)

"STAR WARS" CHIEF TELLS NATO ALLIES PROGRAM WOULD DEFEND W. EUROPE

WUERZBURG, West Germany -- The United States assured its allies yesterday that defending Western Europe against Soviet nuclear missiles is an essential part of its space defense program.

Lt. Gen. James Abrahamson, after briefing NATO defense ministers, told reporters Washington was committed to finding technologies to combat short-range weapons threatening Europe. (Washington Times, A5)

SHULTZ LEAVES FOR TOUR OF TURKEY AND GREECE

Secretary Shultz left last night on a 10-day trip to Greece and Turkey aimed at shoring up NATO's southern flank.

"Actions to counter terrorism will be a high priority" of his talks, a senior official said. The trip was designed to get "a better appreciation of what's going on in those countries and to move along our own interests, not only the security interests, but broader interests in political and economic terms," the official said.

(Bill Kritzberg, Washington Times, A7)

U.S. AND CANADA COMBINE FORCES IN A LOSING WAR AGAINST NARCOTICS

TORONTO -- So much cocaine is coming into Toronto International Airport from Florida that Canadian customs officers are treating flights from Miami and Ft. Lauderdale as if they were from "source" countries such as Colombia or Peru.

To fight this problem, U.S. and Canadian law enforcement authorities work together on a daily basis. "Our main partner in drug enforcement is the DEA," said Royal Canadian Mounted Police Superintendent Rod Standler. (Barry Brown, Washington Times, A1)

U.S. SAYS PROGRESS BEING MADE ON
RESOLVING CANADIAN LUMBER IMPORTS

U.S. Trade Representative Yeutter today told congressmen from lumber-producing areas that progress was being made to resolve complaints that Canada was subsidizing timber exports to the United States.

A congressional aide attending the closed-door meeting said Yeutter told the 22 representatives and six senators attending the session that a second negotiating session with Canadian trade officials would be held in several weeks. (Reuter)

U.S. CRITICIZES HUNGARIAN ACTIONS ON HUMAN RIGHTS

The State Department said today that recent actions by Hungarian authorities to limit peaceful demonstrations and free expression called into question their pledges to observe human rights agreements.

It cited reports of a violent breakup of a protest demonstration in Budapest five days ago and reports that a number of dissidents connected with unofficial publications had been subjected to repeated house searches, confiscation of materials and administratively-imposed fines. (Reuter)

EDITOR'S NOTES: "How A House Swing Vote Was Swung," by Milton Coleman appears on page A1 of the Washington Post.

"Reagan Battled For Votes Down To Wire," by Warren Strobel appears on page A9 of the Washington Times.

"Nicaraguan Opposition Newspaper Worried About Source Of U.S. Funds," by Sidney Blumenthal appears on page A8 of the Washington Post.

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NATIONAL NEWS

SENATE PANEL'S BUDGET IN TROUBLE WITH GOP

The Senate Budget Committee's tax-and-spending blueprint for next year ran into problems with Republicans yesterday, even as it was hailed as a "good start" by the chief budget-writer for House Democrats.

The White House continued to criticize the committee's plan for proposing to raise taxes and curtail defense spending, while spurning many of President Reagan's proposals for domestic spending cutbacks.

(Helen Dewar, Washington Post, A4)

HOUSE GIVES IN TO SENATE, EXTENDS 16-CENT CIGARETTE TAX

A weary House ended a 3-month-old argument with the Senate yesterday night and gave final congressional approval to a leftover \$18 billion deficit-reduction package that makes permanent the 16-cent-a-pack federal tax on cigarettes.

The measure is now headed to the White House for President Reagan's expected signature. The amended version of the measure the House accepted was passed by the Senate on a voice vote last week.

(AP story, Washington Times, A4)

Congress Completes Cigarette Tax Hike, Deficit Cut Bill

Congress completed legislation tonight to continue the current 16 cent a pack cigarette tax as part of a four-year, \$25 billion deficit cutting measure. After a month-long delay, the legislation cleared the House on a 230 to 154 vote and went to President Reagan for his expected signature.

Earlier, the House and Senate had deadlocked over the legislation with the White House insisting Reagan would sign only a Senate version of the measure. Tonight, the House relented and agreed to the Senate version.

(Reuter)

MRS. REAGAN'S PLANE MIRED IN ATLANTA MUD

ATLANTA -- A plane carrying Nancy Reagan slipped into some mud as it prepared to taxi down a runway yesterday but the first lady and the other passengers were not injured, officials said.

Elaine Crispen, Mrs. Reagan's press secretary, was sitting across the aisle from her when the mishap occurred. "I was in Mrs. Reagan's compartment in front of the plane. She was visibly shaken and her first comment was, 'Is everyone all right?'" Miss Crispen said. "A couple of people fell, but no one was injured, just badly shaken," she said.

(Washington Times, A2)

First Lady Unhurt After Plane Slides Off Runway

Nancy Reagan, described as "visibly shaken" when her plane slipped off the runway at an Atlanta airport, has returned safe and sound to the White House. The President told the first lady in a telephone call after the incident, "I'll be waiting for you."

(Susanne Schafer, AP)

HOLLINGS SEEKS WHITE HOUSE LOGS TO
CHECK FOR CALLS ON SPACE LAUNCH

Sen. Ernest Hollings demanded the telephone logs for nine presidential assistants yesterday to learn whether or not there was any pressure on NASA to launch space shuttle Challenger on Jan. 28.

"Rumors of White House involvement have persisted too long," Mr. Hollings wrote. "The time has come to be more open and put this issue to rest once and for all."
(Washington Times, A2)

PENTAGON IGNORED OWN RULES IN GIVING NAMES, GAO SAYS

The Defense Department ignored its regulations when it provided 1.4 million servicemen's names and addresses to the Reagan-Bush Campaign Committee in 1984, according to a GAO report due to be released today.

The campaign committee obtained 20 computer tapes of addresses by filing a Freedom of Information Act request. It used them to mail political literature on behalf of Republican candidates for the U.S. Senate, the GAO said.

The GAO does not say that the names should have been withheld, but that the normal process for evaluating the FOIA request was not followed.

(Fred Hiatt, Washington Post, A2)

"DISINFORMATION" LINK DRAWS IRE OF
PENTAGON SPACE DEFENSE OFFICER

A key Pentagon official yesterday said he was "appalled" that remarks he made in a speech this week were linked to a magazine report that the Pentagon is conducting a disinformation program on the SDI and other military programs.

"Trying to link an attempt by us [the SDI office] to explain what we do with the Soviets -- and why certain information is not readily available -- to some deliberate disinformation campaign is appalling," said Lt. Col. Simon Worden, a special assistant and SDI representative at the Geneva arms talks.
(Walter Andrews, Washington Times, A3)

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NETWORK NEWS SUMMARY

(Thursday Evening, March 20, 1986)

NICARAGUA

CBS's Dan Rather: The White House suffered a defeat this afternoon, on President Reagan's new \$100 million aid package for Nicaraguan rebels. But the bill still has a chance.

CBS's Phil Jones: From the Democratic side of the House floor came a cheer when they had defeated the President. 222 to 210, opponents winning with five votes to spare. It was a rare setback for the President, whose lobbying on the Hill failed. Vice President Bush even turned to religion in last-minute calls.

(Vice President: "Hang in there, and have a little prayer session with yourself at the very end. Who knows? A lot of guys have seen the light.")

It was an emotional issue that divided both parties. 16

Republicans deserted the President and voted no; 46 Democrats voted with the President.

(Rep. Pepper: "We will not tolerate communism to be the dominant character of the state in any part of the Western Hemisphere!")

(Speaker O'Neill: "The policy of providing military weapons for the war in Nicaragua -- it takes us down the wrong direction. It takes us further down the road -- further toward a situation where our country's troops will be involved.")

(Rep. Michel: "Yes! It is a doggone confrontation between East and West, and don't you ever forget it! I say why not get the job done while it is still manageable and without American troops.")

One of the contra leaders, lobbying for the aid, expressed disappointment.

(Alfonso Robelo: "For us, the contras fighting in Nicaragua, this is -- and we say -- a stunning blow.")

The White House vowed to continue the fight.

(Larry Speakes: "Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed.")

(Rep. Hartnett: "The message to Daniel Ortega was you have a free hand, not only in Nicaragua, but throughout Central America. The message to the contras is that you'd better run for the hills, fellas.") Democrats saw this as a harbinger of things to come.

(Rep. Aspin: "The effect is going to be on the President's effectiveness, because there's going to be more lame-duck talk, more talk about this second term White House not as good as the first-term White House.")

This battle is far from over. The Republican-controlled Senate will vote on a compromise package next week, and then this hot issue will be back on the House floor next month.

Rather: Bill Plante is standing by at the White House. Bill, I gather the President and his men still think they'll come out a big winner. Why?

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CBS's Bill Plante: Dan, they think they've lost nothing but time. That they're going to win exactly what was voted down today in the Senate and again on that second vote in the House. All \$100 million: \$70 million in military and \$30 million in humanitarian aid. They're even talking about making up for some of that lost time, by reducing the delay for offensive military aid from 90 to 60 days. The President and his men think this is a temporary setback; they insist that the second time around in the House, they have already been promised enough votes to make up the difference.

Rather: If that's the case, then why was Larry Speakes' statement so emotional, talking of the darkest day of freedom, and that sort of thing?

Plante: Certainly to encourage the contras and to warn the Sandinistas, in part. The statement was written by the President's Communications Director, Pat Buchanan. He has had the lead on this from the beginning and set the tone. Some other staffers here thought it was needlessly harsh and confrontational, at a time when they're trying to win a legislative battle. There were reportedly three previous versions, each one tougher than the one that was finally delivered. But that is and remains the tone of this debate.

Rather: In Nicaragua, pro-government newspapers stepped up their anti-U.S. rhetoric. One front-page editorial was headlined, 'Alert Against A Declaration Of War.' Another urged Nicaraguans to "prepare yourself to resist and win." The sum of these pro-Sandinista editorials: the U.S. is planning to invade. But the Nicaraguan government already has a war on its hands, and the war included action at the border with Honduras.

CBS's Michael Conner: The Nicaraguan government said the vote was a move for peace. It hopes the vote marks the beginning of a new U.S. policy. But the Sandinistas continue to press their war against the contras. Today, many government troops are searching for the contras who have carried out a series of sabotage attacks near the border with Honduras. And now Honduras, as it has in the past, is sending troops to its side of the border, because the Hondurans say they are worried that the Sandinista army will cross.

(Sandinista militiaman: "The contras just fire a few shots and run away. That's all they do. They're no match for us.")

The Sandinistas have gotten a pledge from Fidel Castro: That any assistance the United States gives the contras will bring more military aid from Cuba. (CBS-Lead)

ABC's Peter Jennings: Political defeat for the President. There's no doubt about it; the President lost a big one. After three weeks of the most passionate lobbying on behalf of aid for the Nicaraguan contras, the President was turned down by the House of Representatives. The President wanted \$100 million in mostly military aid for the men trying to overthrow the government in Nicaragua. The vote was 210 in favor and 222 against. Mr. Reagan is calling it a dark day for freedom.

ABC's Charles Gibson: It was an extraordinary vote. The level of feeling in the Capitol ran very deep, and no one felt it more than the Speaker.

(O'Neill: "I see down the line this policy bringing American boys to their death. And I think it is wrong, just to prove a point, and that's what they're trying to do. Prove a point with the Soviet Union.")

The Administration had pulled out all the stops, and kept up pressure on House members right to the end. But the Democratic nose counters, whose numbers proved remarkably accurate, were still confident. The Administration's last-minute compromise moves, they claimed, had fizzled. The closeness of the vote, the emotion of the issue, was evident in the final debate between the leaders of the two parties. Both called it a matter of conscience. 16 Republicans voted with 206 Democrats to defeat the President's request for aid to the contras. The final margin was 222 to 210. In the chair, after the vote, the Speaker acted like it was just another day. But one Republican vote counter, when asked why they'd lost, said simply -- "Tip." Some Democrats said White House charges from Communications Director Patrick Buchanan that the vote would show whether Congress stood with Reagan or the communists had hurt the President. But the divisions don't go away and neither does the issue. Compromise contra aid plans are still to be considered by the Congress.

ABC's Sam Donaldson: Sharp disappointment and stiff determination to battle on marked the President's reaction to his defeat on contra aid, as delivered in a toughly-worded statement by Mr. Reagan, read by Press Secretary Larry Speakes.

(Larry Speakes: "Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed. Those Democrats and Republicans who stood with the forces of freedom have the nation's profound gratitude and the President's. The next battle will bring us the victory that that just and good cause rightly deserves.")

Speakes attributed the defeat to the fact that the President had started so far behind, and to Tip O'Neill's last-minute tactics. He was unrepentant when told some Democrats were saying that fiery White House rhetoric had backfired.

("We presented our message the way we thought it to be most effective. We are telling the truth. We think the American people -- once they know the truth -- will then make their views known.")

Truth or not, contra aid critics have turned their enmity on White House Communications Director Buchanan, because of his slashing partisan attacks.

(Patrick Buchanan: "Isn't it amazing? -- Here we are in 1986, and Soviet tanks, Soviet gunships are killing friends of ours on the North American continent and the Congress of the United States -- a part of it -- professes indifference.")

At the White House today, Sen. Dole suggested that the issue would not be framed in the Senate in that kind of language. And Dole predicted a Senate victory for the President.

(Senator Dole: "Temporarily, we've had a setback. The President has, the contras have. But we'll move on now to the next performance, which will occur on live radio in the U.S. Senate, starting next Tuesday.")

Donaldson continues:

White House officials seem convinced they'll win in the Senate, and then in mid-April, get substantially what they want from the House. "We'll win in the end," said one official. And what of the rhetoric? If the President's statement today is any measure, it will continue to be tough. (ABC-2)

NBC's Tom Brokaw: As political battles go, this was hand-to-hand combat. And President Reagan lost, but not by much. The House voted 222 to 210 against the President's request for \$100 million for the contras -- rebels fighting the Sandinista government of Nicaragua.

NBC's Bob Kur: When the decisive vote was cast, the emotional debate came to a dramatic conclusion.

(TV: Applause in House gallery.)

Spectators had waited for hours to watch today's debate. Some congressmen and their aides wore anti-contra buttons. Others, on the House floor, passed around Marx and Lenin postage stamps from Nicaragua. But Democrats said it was a day to win one for the "Tipper."

(O'Neill: "I see down the line this policy bringing American boys to their death. And I think it's wrong just to prove a point -- and that's what they're trying to do -- prove a point with the Soviet Union.")

Pro-aid congressmen had a different message.

(Rep. Michel: "Yes! It is a doggone confrontation between East and West, and don't you ever forget it!")

(Rep. Pepper: "We will not tolerate communism to be the dominant character of the state in any part of the Western Hemisphere!")

But not even last-minute phone calls from Ronald Reagan could sell his policy.

(TV: Congressman talking on phone to the President.)

Rep. Mullohan: "You may be leading too much with a military option, and not at the same time on a parallel track pursuing an aggressive diplomatic effort.")

Rejected today: the President's request for \$100 million for the contras. \$70 million in military aid. In spite of Mr. Reagan's promise to delay military aid for three months.

(Rep. Hartnett: "The message to Daniel Ortega is you have a free hand, not only in Nicaragua, but throughout Central America. The message to the contras is, you'd better run for the hills, fellows.")

Presidential aide Patrick Buchanan was the man many members say should run for the hills. It was Buchanan who seemed to question the patriotism of contra aid opponents.

(Rep. Barnes (D-Md.): "I think Pat Buchanan was one of our secret weapons in this campaign, and I want to publicly express my gratitude to him.")

(Rep. Foley: "He degraded the debate, and he was ineffective. And in politics, those are two very serious charges.")

The President plans to modify his request before the Senate votes on it next week. Specifically, to make binding by law his promise to delay part of the aid. And next month, here in the House, they'll start all over again trying to come up with a compromise.

NBC's Chris Wallace: Some congressmen may think that that tough White House rhetoric backfired. But after today's loss, the White House was not backing off. Spokesman Larry Speakes read a Presidential reaction to the House defeat that showed no signs of retreat.

(Speakes: "Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed.")

The White House view is that the Democrats Pat Buchanan's rhetoric as an excuse to oppose the President. Administration officials say the real reason they lost was that Speaker O'Neill made it a party issue. To beat the President now, then compromise later. Speakes said Mr. Reagan will press for contra aid again and again. That any delay in that aid poses the most serious consequences for U.S. National Security.

(Speakes: "So, to the freedom fighters of Nicaragua, the President says: 'Have faith; have hope. The American people are just now awakening to the justice of your cause.'")

Contra leaders, who have been lobbying Congress for weeks, seemed surprised that awakening is taking so long. But they, too, were looking ahead.

(Adolfo Calero: "It is a stunning blow to our troops. However, we know -- and we have to explain to them -- that the issue has not disappeared. It will come up again real soon, and we're gonna win!") To emphasize that point, the President asked Republican leaders in the Senate to hold their vote next week. Majority leader Dole said all the Reagan package needs is to incorporate the 90-day delay on weapons already promised to the House.

(Chris Wallace: "Sen. Dole, do you think that the President's proposal -- with these new compromises -- will that pass the Senate?" Sen. Dole: "Yes.")

Officials here are still confident that eventually they'll get their military aid for the contras. But after today's loss, there's just a bit less confidence here.

Brokaw: In Nicaragua, there were reports that the government had dispatched extra troops to the North; that the contras had been active, but there were no signs of heavy fighting. The Sandinistas were quiet today.

NBC's Mike Dutcher reports from Managua that the radio stations announced the vote in afternoon bulletins. The government was silent, but the state-controlled media said Nicaragua would have a victorious future. "It's immoral," was the general response of callers who phoned the government radio station to offer their opinions of President Reagan's support for the contras. The government here was so confident of public support that it re-broadcast -- with Spanish translation -- President Reagan's Sunday night speech that attacked the Sandinistas. Contra prisoners of war were permitted to follow the debate in America about the \$100 million.

(Contra prisoner: "I was a Somosista ... but we're not fighting for Somoza; we're fighting for this country -- it's ours!") Political propagandists, assigned to armed units that criss-crossed the country, have had considerable success persuading the people that the contras represent the old days of dictatorships and American occupations. The Sandinistas are confident that no amount of U.S. help will buy the contras a foothold in Nicaragua. (NBC-Lead)

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ARTURO CRUZ INTERVIEW

Jennings: Watching the vote in our Washington studios today was one of the contra leaders, Arturo Cruz, who heads the United Nicaraguan Opposition. He was one of several contra leaders who flew to Washington to help lobby Congress for the military aid.

Jennings: Mr. Cruz, what does it tell you that so many members of Congress, reflecting the public opinion polls, are opposed to giving you aid?

Cruz: "I find that the vote spread is not that large. And this is only a temporary setback, because there is so much at stake.... This is a serious disappointment. This will harden the Sandinistas."

Jennings: Will you be defeated by the Sandinista government now?

Cruz: There is a resolve on the part of the rebels to continue the fight to the bitter end. I don't anticipate any defeat." (ABC-2)

U.S./LIBYA SHOWDOWN?

Brokaw: The "line of death." That is Qaddafi's name for what he claims is the beginning of Libya's territorial waters at the head of the Gulf of Sidra. Today Pentagon officials said that U.S. fighter jets and two Navy ships are expected to cross that line this weekend nonetheless.

NBC's Jim Miklaszewski reports that Pentagon sources say the maneuvers will involve the same two ships that entered Soviet waters in the Black Sea last week. They are the cruiser Yorktown and destroyer Karen. The U.S. attitude is that the Soviets didn't shoot at us in their territorial waters; Qaddafi certainly can't claim any right to do it in international waters. The U.S. denies Qaddafi's claim that the gulf, south of what Qaddafi calls the "line of death," is Libyan territorial water. Just in case, the U.S. has mounted a formidable force in the Mediterranean.

(TV: U.S. ships, carriers shown in sea.)

45 ships, including three aircraft carriers and their 250 planes, are in position to respond to any attack. One official described the operation as "churning the waters," baiting Qaddafi to strike. To give the U.S. an excuse to attack and destroy two newly-constructed missile sites in Libya. U.S. military officials believe, however, that Qaddafi's threat to attack is only a bluff. But after months of saber rattling, the U.S. has yet to call that bluff. One official here now says, "If I were Qaddafi, I'd make sure to be out of town this weekend!" (NBC-3)

MARCOS

Rather: CBS News correspondent Bill Redeker reports tonight from Honolulu that the departure of Ferdinand Marcos from Hawaii to Panama is imminent. A number of people in the Marcos party already are at Hickam AFB. A Marcos party of about 40 members is expected to board a U.S. military transport to flee to Panama. Against the advice of the Justice Department, a House Subcommittee went ahead today and released more Marcos documents, and this touched off a frantic, new search for more evidence of corruption. The stack includes a 1975 decree, in Marcos' handwriting, naming his wife Imelda as his successor, and \$4 million in bank certificates. (CBS-6)

ABC's John Martin: In Washington this afternoon, Asian Affairs Subcommittee Chairman Solarz finally released about 2100 pages of documents taken three weeks ago from the Marcos family when it reached Hawaii. In New York, the Filipino Senator leading the search for the Marcos assets, Obito Solonga, went to federal court and produced a series of documents that he said tie the Marcoses to some of Manhattan's most expensive real estate. (ABC-6)

NBC's Jack Reynolds reports that Administration sources tell NBC News that Marcos is expected to leave Hawaii within 24 hours. The Administration has military transports standing by at Hickam AFB to fly Marcos and his entourage to Panama. There's a growing feeling in Washington that Marcos has become an embarrassment, and should leave. But that shouldn't stop efforts to recover his illegally-obtained wealth, particularly any stolen U.S. aid funds. Administration sources tell NBC News that as early as 1984, the Pentagon discovered that there were serious problems, such as kickbacks with defense contracts that the Philippine government had with U.S. firms. (NBC-6)

FIRST LADY

Rather: No one was hurt, but First Lady Nancy Reagan and her party got a scare today in a mishap at the Fulton County Airport near Atlanta. The Air Force C-9 plane was preparing to take off when it suddenly hit a sharp right turn, slipped off the runway and got stuck in the mud. Mrs. Reagan was seated, but others on board were thrown about. Again, no one hurt, and tonight, Mrs. Reagan arrived back at Andrews AFB. Having flown there on another plane, she was safe, sound but shaken. (CBS-4)

Jennings: The First Lady, Nancy Reagan, was involved in a minor accident today, and was not hurt. Mrs. Reagan was aboard a presidential aircraft when it slipped off of a runway near Atlanta.

ABC's Mike Von Fremd: Mrs. Reagan's C-9 Presidential Jet sitting cockeyed on the narrow ramp at Atlanta's small Fulton county airport. The plane's right wheel stuck in the mud. The pilot was headed toward the taxi way for take-off, and Mrs. Reagan and her entourage were not all strapped into their seats. The pilot made a right-hand turn that was just a little too sharp, and its tire stuck in the mud.

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Von Fremd continues:

(TV: Shots of plane stuck in the mud.) A spokesman said that Mrs. Reagan was severely shaken, but unhurt. She immediately asked, "Is everyone all right,?" and was assured they were. Mrs. Reagan was forced to wait 2 1/2 hours in a nearby hangar for another smaller plane that was rushed from Andrews AFB. Her spokesman said she took it all as a super sport, and apparently had no harsh words for her original pilot. The First Lady tries to use these out-of-the-way commuter airports to avoid tying up traffic at busier facilities. But the smaller airports have narrow runways, and after this mishap, they may reevaluate where the First Lady lands. (ABC-4)

Brokaw: There was a scare today for First Lady Nancy Reagan. The plane that she was on slipped off of a runway at an airport near Atlanta. Mrs. Reagan and the other passengers were not hurt. She was in Atlanta for a conference on drug abuse. (NBC-5)

DRUG ABUSE/FIRST LADY

ABC's Rebecca Chase reports from Atlanta that the First Lady has helped bring international attention to the drug problem, like she did in her Atlanta appearance today.

(First Lady: "I know how hard you're fighting to close the door to drugs. And I know how tough it can be. But I'm with you; I always have been, and I always will be.")

But even if drugs can't be kept off the streets, there is hope that attitudes and peer pressure can be changed.

(TV: First lady meeting with Atlanta high school students.)

Experts say that could prove to be an effective weapon in the battle to keep drugs out of the schools, and the nation's young people drug-free. (ABC-11)

DRUG TAMPERING

Rather: A report of tampering and threats of tampering, involving three major consumer drug products. But -- according to the FDA, no actual evidence of poisoning has been found in the three products: Contac, Dietac, and Teldrin. Their manufacturer, Smith-Klein-Beckman is warning consumers nationwide not to use these products. (CBS-5; ABC-Lead & NBC-3)

KATARINA LECHITA

Rather: An 11-year-old Soviet schoolgirl, Katarina Lechita, has left Moscow on a two-week peace tour of the U.S. She will visit Chicago, New York, Washington, Houston, and Los Angeles. (CBS-14; ABC-10)

AFGHANISTAN

Rather: The contra rebels are one thing, the Afghan rebels another. The Soviet invasion of Afghanistan now is in its seventh year, and if it keeps on it will "lead to a situation approaching genocide." Those words are from a new United Nations report obtained by CBS News. It is the first U.N. report to explicitly document Soviet atrocities. The report sees the only solution to human rights violations as the withdrawal of Soviet troops.

(CBS-15)

NASA/CHALLENGER

Rather: NASA is still inexplicably silent, but a source close to the Rogers Commission investigating the Challenger disaster now tells CBS News that key pieces of debris have apparently been recovered. That among the debris are parts of the critical right solid rocket booster.

(CBS-8; ABC-5; NBC-4)

U.S. ECONOMY

Brokaw: The government reported today that the average Americans' personal income rose last month by a healthy six-tenths of a percentage point. Consumer spending, at the same time, was up three-tenths of a point, and that also is healthy.

(NBC-11)

COMMENTARY

NBC's John Chancellor: The American economy is on a roll.... Those are figures that gladden the hearts of Republicans who will be running for reelection this fall. But there are some troublesome signs. Yesterday we learned that the economy barely grew in the last quarter of 1985. And today's figures on personal income and consumer spending aren't big enough to promote overall economic growth, according to Chase Econometrics.... When will the next recession arrive?.... The economy is living on borrowed time right now.... The timing could be crucial politically. One very senior Republican, who won't let his name be used, said the other day, "Let's have the recession soon; let's get it over with, so we can keep the White House in 1988".... The average length of a recession these days is 12 months. So a recession within the next year or so would clear the way for a recovery that would be in place for the next presidential election, which would help the Republicans....

Editor's Note: CBS began the first of two reports on the Afghan resistance fighters.

(CBS-15)

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EDITORIALS/COLUMNISTS

CHILE/NON-COMMUNIST 'DICTATORSHIPS'

U.S. Right to Rebuff Chile -- "The U.S. policy of 'constructive engagement' has been no more successful in Chile than it has been in South Africa, and it is good that the Reagan Administration finally has come to realize that. In a long-overdue shift, the Administration has sharply criticized the government of Augusto Pinochet, whose regime has been marked by widespread repression and violence....By its shift in approach, the Reagan Administration appears to have learned the lesson of Haiti and the Philippines." (Dallas Times Herald, 3/18)

A Changed Course on Chile -- "The Reagan Administration commendably has reversed its policy toward the military regime of President Augusto Pinochet in Chile....Chileans cannot be content to see neighboring Argentina or giant Brazil move toward democracy, while they are left on the sidelines of authoritarianism. The people of Chile deserve support in their quest for restoration of full democratic government." (Christian Science Monitor, 3/18)

Chile: The U.S. Rightly Protests the Use of Repression and Torture -- "The Reagan Administration has publicly, albeit beleatedly, attacked Chile's despicable record of human rights violations....To his credit, President Reagan has discovered in the Philippines and Haiti that the United States need not always choose between police states and communist insurgencies, and that to prop up the former often can enhance support for the latter among peoples grown weary of abuse. We wish, however, that the President would refrain from twisting this lesson to fit his preconceptions about Nicaragua." (Detroit Free Press, 3/15)

Reality in Chile -- "In a welcome about face, the Administration finally has recognized it can no longer watch in silence as Chile's military regime tortures its people into submission. Following its much-delayed condemnation of similar violations in Haiti and the Philippines, the decision publicly to express 'deep concern' with human-rights violations in Chile is certainly appropriate....Even more welcome, however, is Reagan's related and long-overdue general statement declaring that his Administration opposes all forms of dictatorship -- whether pro-Communist leftist or anti-Communist rightist. It's about time." (Miami Herald, 3/17)

Oppose all Dictators -- "Reagan's announcement that he will oppose dictatorships of the right as well as of the left and that he will commit the U.S. to 'democratic revolution' the globe over is very welcome news....Let us hope that Reagan continues to have the whole world in mind in his resistance to dictatorship, and not just Nicaragua....Reagan seems to be reminding the country, and the world, that the U.S. continues to stand for something good -- for real democracy or the possibility of it, and for human rights. It is a reminder that was needed, in view of the confusion that has been caused by sometimes unavoidable strategic preferences forced upon us by security considerations." (Chicago Sun-Times, 3/19)

(Editorials/Columnists continued)

TAX REFORM

Packwood's Hidden Tax Plan -- "While his plan has drawn preliminary praise, even from the White House, there are reasons to believe it would prove a serious drag on the economy -- and it appears even more complex than the present tax code. Though the Packwood plan lowers individual tax rates, which we applaud, it 'pays' for these reductions through 'hidden taxes' on investment and business that appear even more onerous than the Democratic House plan. It now appears to be the most anti-growth of the three main proposals, a considerable irony coming from a Republican senator in a Republican-controlled Senate....If there aren't substantial improvements in the Packwood bill, the country and the economy would be much better off without any 'tax reform' at all...."

(Detroit News, 3/19)

TAX AMNESTY

Federal Plan Worth a Try -- "A federal amnesty might work. It's a plan worth a try. If Congress does approve such a plan, the IRS then should follow up with a dramatic increase in the number of returns audited, with special emphasis each year on the cheaters who are granted amnesty. This would help ensure that they continue to pay....We doubt that many taxpayers would cheat as a result of the plan. Only the marginally honest would be tempted, and they probably would succumb to most any tax dodge they thought they could get away with."

(Oregon Statesman-Journal, 3/10)

DRUG SMUGGLING

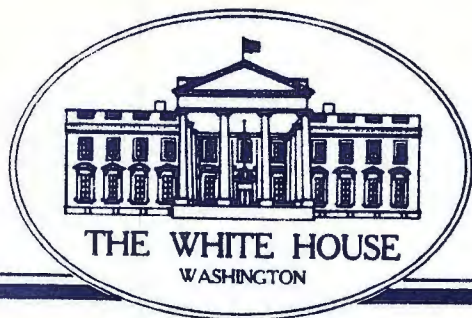
Use Military Might to Battle Drug Czars -- "Taxpayers of the United States will spend about \$296 billion this year for military expenditures. And we are not fighting a war. But we should be. The United States is being invaded by drugs and many believe the drug traffickers are winning the battle. We do have the resources at hand to fight back, but it will take a radical and courageous departure from tradition to do what we must to win this war against drugs. Our nation can and should commit more of its military might to the drug war."

(Canon City Daily Record, 3/12)

SOVIETS/U.N.

Cutting the Soviet U.N. Staff -- "Washington is well within its rights to demand a reduction, and the Soviets are foolish to even hint that they would tie the issue to the summit....Moscow has said the U.S. action raised the question 'whether it is appropriate for U.N. headquarters to be situated in a country that does not fulfill its obligations to the organization.' If the Soviets really feel that way, here's a suggestion that no doubt will make Mr. Gorbachev and his KGB chiefs cringe: Move the headquarters of the world political body to Moscow. That way American spies will have a convenient place to roost."

(Chicago Tribune, 3/19)



News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, MARCH 21, 1986 -- 6 a.m. EST EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Rebel Aid Loses By 12 House Votes -- The House yesterday rejected President Reagan's \$100 million aid request for the Nicaraguan resistance -- a bitter defeat the President said would be turned around next week in the Senate.

(Washington Post, Washington Times, New York Times, USA Today, Chicago Tribune, Christian Science Monitor, AP, UPI, Reuter)

Official Says Request To Take Marcos Rejected

PANAMA CITY, Panama -- Panama has rejected ousted president Marcos' request for refuge, a government official said. (Washington Post, AP)

NATIONAL NEWS

Senate Panel's Budget In Trouble With GOP -- The Senate Budget Committee's tax-and-spending blueprint for next year ran into problems with Republicans yesterday, even as it was hailed as a "good start" by the chief budget-writer for House Democrats. (Washington Post)

Congress Completes Cigarette Tax Hike, Deficit Cut Bill -- Congress completed legislation tonight to continue the current 16 cent a pack cigarette tax as part of a four-year, \$25 billion deficit cutting measure. After a month-long delay, the legislation cleared the House on a 230 to 154 vote and went to President Reagan for his expected signature.

(Washington Times, Reuter)

NETWORK NEWS (Thursday Evening)

NICARAGUA -- From the Democratic side of the House floor came a loud cheer when they had defeated the President.

U.S-LIBYA SHOWDOWN -- Pentagon officials said U.S. fighter planes and Navy ships will cross "the line of death" this weekend.

FIRST LADY -- No one was hurt, but the First Lady and her party got a scare in a mishap.

By the way, March 2-8 was National Procrastination Week.

The Orange County Register
Tuesday, March 11, 1986

INTERNATIONAL NEWS

HOUSE DEFEATS REAGAN REQUEST FOR CONTRA AID

The Democratic-controlled House rejected President Reagan's \$100 million aid package for the Nicaraguan rebels by a margin of 12 votes yesterday, winning the first round in a bruising political battle with the White House that both sides agree is far from over.

Sixteen Republicans, defying intense pressure from the Administration, joined 206 Democrats to defeat the proposal, 222 to 210.

In a statement, the President also predicted ultimate victory, vowing "to come back again and again until this battle is won, until freedom is given the chance it deserves in Nicaragua.

(Edward Walsh, Washington Post, A1)

Rebel Aid Loses By 12 House Votes

The House yesterday rejected President Reagan's \$100 million aid request for the Nicaraguan resistance -- a bitter defeat the President said would be turned around next week in the Senate.

The White House acknowledged the loss was a blow to Mr. Reagan's top foreign policy issue, but insisted the setback would be reversed. "Today's vote in the House was a dark day for freedom," Mr. Reagan said. "You have my solemn determination to come back, again and again, until this battle is won, until freedom is given the chance it deserves in Nicaragua."

(Christopher Simpson & Mary Belcher, Washington Times, A1)

House Contra Aid Defeat Sets Stage For Congressional Battle

President Reagan has suffered a major setback in his bid to win new aid for Nicaraguan rebels but yesterday's House vote was only part of what could become a lengthy war with Congress.

The vote, which brushed aside a last-minute White House compromise offer, has virtually killed Reagan's chances of winning an unconditional aid package -- although he could still get all or part of the \$100 million with ties.

(Sue Baker, Reuter)

House Defeats Contra Aid

The House handed President Reagan the biggest foreign policy defeat of his second term by narrowly voting against giving \$100 million in aid to the Contra rebels fighting Nicaragua's Sandinista government.

Brushing aside Reagan's last-minute offer to delay some military aid while pursuing a diplomatic solution to the Nicaraguan conflict, the House split almost along party lines thursday to reject the package, 222-210.

(Michael Myers, UPI)

Reagan Defeated On House Contra Aid Bill

The House today rejected President Reagan's request to send \$100 million to rebels fighting to overthrow the Nicaraguan Government. The vote was 222 to 210, with 16 Republicans joining 206 Democrats in rebuffing the President on what he described as a major test of his presidency.

(Steven Roberts, New York Times, A1)

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U.S./Nicaragua

A sharply divided House, on a 222-210 vote Thursday, defeated President Reagan's plan to send \$100 million in mostly military aid to Nicaraguan rebels. The dramatic setback followed intense personal lobbying by the President, who said: "This vote must be reversed."

Reagan, in a statement, said, "We're gaining converts, and the next battle will bring us victory." He said his effort would resume Friday and GOP leaders predicted the Senate would approve Reagan's plan next week.

(Robert Parry, AP)

President Turns To The Senate In Fight For Bill

White House officials said today that, with the House rejection of President Reagan's \$100 million aid package to Nicaraguan rebels, they were placing their hopes on the Senate.

At the same time, they conceded that some serious tactical mistakes had been made in the battle in the House.

(Gerald Boyd, New York Times, A1)

Reagan Loses On Contra Aid

The Democratic-controlled House on Thursday defeated President Reagan's request for \$100 million in military aid to Nicaraguan rebels. But the action does not mean that Reagan's efforts to win renewed U.S. military aid to the contra rebels is dead.

Key Democrats have acknowledged privately that Congress is almost certain to approve some form of aid for the rebels fighting to overthrow Nicaragua's leftist government.

(AP story, Chicago Tribune, A1)

Reagan loses First Round In "Contra" Aid Vote

Though the President has lost a battle, he may yet win the war to bolster the military fortunes of the contras.

By the time the 99th Congress is relegated to history, U.S. military and humanitarian aid to the rebels, as sought by Mr. Reagan, will have been approved. Defeat or victory in the House yesterday carried relatively little significance in the final analysis.

(Peter Osterlund, Christian Science Monitor, A1)

Reagan Down, But Not Out On Contra Aid

President Reagan, shaking off a major defeat on Nicaraguan aid Thursday, vowed to "come back, again and again, until this battle is won." Starting today, Reagan presses his fight in the Senate, which opens debate today.

But in rejecting Reagan's plan, congressmen sent the White House two clear messages: Get serious about diplomacy and stop "red-baiting." The House vote also underscored the difficulty Reagan has gaining support for his Central American policies.

(Fred Anklam & Johanna Neuman, USA Today, A1)

PROSPECTS GOOD FOR CAMPAIGN TO REVERSE TALLY

President Reagan, his prestige chipped by yesterday's failed effort to gain passage of the \$100 million aid bill for the Nicaraguan resistance, remains adamant in his resolve to support the anti-communist rebels.

There are, in fact, good prospects of success in a second effort. Though the atmosphere in the White House was subdued, Administration officials yesterday seemed buoyed by the prospect of a second crack at the issue in the House by April 15, and all-but-certain passage of a Contra-aid measure in the Senate.

(Jeremiah O'Leary, News Analysis, Washington Times, A1)

REBEL LEADERS STILL HOPING FOR U.S. AID

The House defeat of President Reagan's request for \$100 million for the Nicaraguan rebels was a "stunning blow," three rebel leaders said yesterday.

"It is indeed a stunning blow to thousands of Nicaraguan's who are facing overwhelming odds," said Arturo Cruz, one of the leaders of the United Nicaraguan Opposition, an umbrella group for rebels fighting the Marxist Sandinista government. (James Morrison, Washington Times, A8)

U.S. THREAT REMAINS DESPITE CONGRESS VOTE, ORTEGA SAYS

MANAGUA, Nicaragua -- The House of Representative's rejection of a \$100 million aid package to the contra rebels does not mean the bloodshed in Nicaragua will end, President Daniel Ortega said.

Despite the defeat of President Reagan's mostly-military aid request to the rebels the "U.S. terrorist policy" against Nicaragua would continue, Ortega said. (Matthew Campbell, Reuter)

MARCOS FAMILY MOVING TO PANAMA

Deposed president Marcos has negotiated arrangements to move to Panama for an indefinite period and is likely to leave the United States, perhaps early today, State Department officials said last night.

Marcos is expected to leave Honolulu as he arrived, in an Air Force plane provided by the Reagan Administration in fulfillment of its guarantee that he would be treated with "dignity and honor" in this country if he relinquished power peacefully. (Don Oberdorfer, Washington Post, A1)

Marcos/Panama

Reagan Administration sources said Thursday night that a plan for a Panamanian exile for former president Marcos "does not look hopeful." It was learned the Panamanians had told Washington Marcos would not be welcome. An Administration source, who spoke on the condition he not be identified, said, "This business of (Marcos) going to Panama was never certain."

Both the White House and the State Department had said Marcos expressed interest in going from Hawaii to a third country, but declined to identify any of the several nations they said were under considerations.

(Gregory Nokes, AP)

Official Says Request To Take Marcos Rejected

PANAMA CITY, Panama -- Panama has rejected ousted president Marcos' request for refuge, a government official said. The official, who spoke on condition he not be identified, said Thursday night the decision came after a meeting between President Eric Arturo Delvalle and other ranking Panamanian officials. He said official announcement would be made today, but refused to elaborate further. (Reid Miller, AP)

PRESIDENT DECLINES VISIT FROM BONNER

Yelena Bonner met this week with John Poindexter at the White House, but President Reagan decided not to see her out of concern that such a meeting could upset efforts to win freedom for others, Administration officials said yesterday.

The meeting with Poindexter was "cool and correct," according to an informed source. "She was not happy." Another source said Bonner was told Reagan decided not to see her out of fear that if he did, the Soviet authorities might be tempted to deny her reentry to the Soviet Union.

(David Hoffman, Washington Post, A1)

Reagan/Bonner

Yelena Bonner met this week with a White House official, but President Reagan decided not to see her for fear of upsetting efforts to win freedom for others, according to published report.

Albert Brashear said he did not know of any meeting between Mrs. Bonner and John Poindexter, as reported in Friday's editions of the Washington Post.

But, he said the President would not have refused to meet the wife of Sakharov. "The President personally would not have refused such a meeting request for fear of upsetting future prospects. His record is clear and he certainly stands firmly on the side of those whose rights have been suppressed," Brashear said Thursday night. (AP)

U.S. NAVAL FORCES TO CROSS QADDAFI'S "LINE OF DEATH" SOON

The United States, sending three U.S. aircraft carriers and 27 warships in the Mediterranean toward Libya, plans to cross within the next two weeks "the line of death" Libyan leader Qaddafi has drawn across the Gulf of Sidra, Administration officials said yesterday.

President Reagan has approved the ship movement, officials said, as a massive display of force that would only lead to shooting if Qaddafi fired first. Officials, who declined to be identified, said the action is not aimed at provoking Qaddafi into attacking U.S. ships or planes but acknowledged that detailed plans have been made to shoot back if that should happen.

(George Wilson, Washington Post, A1)

HOUSE PANEL VOTES ANTITERROR MONEY

The House Appropriations Committee yesterday approved an urgent supplemental spending bill that would provide about \$1 billion in new money for overseas embassy security, air traffic control, congressional mailing and a raft of other programs during this fiscal year.

(Ward Sinclair, Washington Post, A4)

BRITISH GROUP OFFERING TO BUY DULLES, NATIONAL

A group of private investors, backed by the British banking firm of N.M. Rothchild and Sons, is offering up \$1 billion to buy National and Dulles airports from the federal government.

(Michael Specter, Washington Post, A4)

SOVIET CHALLENGES U.S. NUCLEAR ARMS STANCE

PRAGUE -- Soviet Foreign Minister Shevardnadze charged that U.S. proposals for reducing nuclear arsenals, including intermediate-range missiles in Europe, show that Washington "is clearly unwilling" to reach an agreement.

Reiterating Moscow's call for a ban on nuclear testing, Shevardnadze also said in an interview with the Polish news agency PAP that the U.S. reply had been "an invitation to take part in a summer season of nuclear tests in Nevada. Such a show is not necessary either for us or for mankind."

(Jackson Diehl, Washington Post, A48)

WHITE HOUSE SAYS RUSSIANS FAIL TO RESPOND TO TROOP CONCESSIONS

The White House bluntly criticized the Soviet Union yesterday for failing to respond to Western concessions that had been expected to pave the way to an agreement on reducing troop strengths in Central Europe.

The U.S. side called on Soviet negotiators to follow through on Moscow's apparent willingness to agree on verification "but that has not borne fruit," Larry Speakes said. "They are not putting on the table what their leaders are saying."

In a prepared statement, the Reagan Administration charged that the Soviet Union and its allies "have not responded constructively to the recent Western initiatives that they had sought to make substantial progress in these negotiations."

(Roger Fontaine, Washington Times, A5).

PENTAGON OPPOSES BALDRIGE ON SOVIET TRADE

A call by Secretary Baldrige to reduce by 30 percent to 40 percent the list of the high-technology goods banned for export to the Soviet bloc drew sharp warning from the Pentagon that any cuts would be "extremely harmful" to U.S. national security.

An Administration official, who spoke on the condition he remained anonymous, said businessmen favor Mr. Baldrige's proposal as a way to reduce Pentagon control over U.S.-Soviet trade.

(Bill Gertz, Washington Times, A2)

SOVIETS WANT SUMMIT TO YIELD RESULTS

MOSCOW -- The Soviet Union said yesterday it favored a second summit between President Reagan and Mikhail Gorbachev but that there should be concrete results, particularly on security matters.

Secretary Shultz expressed the U.S. position Wednesday as favoring a summit without any direct link to arms-control agreements. Mr. Shultz said the United States favored June or July for the second summit. Moscow informally suggested September, which the Americans consider too close to midterm congressional elections. (Washington Times, A7)

"STAR WARS" CHIEF TELLS NATO ALLIES PROGRAM WOULD DEFEND W. EUROPE

WUERZBURG, West Germany -- The United States assured its allies yesterday that defending Western Europe against Soviet nuclear missiles is an essential part of its space defense program.

Lt. Gen. James Abrahamson, after briefing NATO defense ministers, told reporters Washington was committed to finding technologies to combat short-range weapons threatening Europe. (Washington Times, A5)

SHULTZ LEAVES FOR TOUR OF TURKEY AND GREECE

Secretary Shultz left last night on a 10-day trip to Greece and Turkey aimed at shoring up NATO's southern flank.

"Actions to counter terrorism will be a high priority" of his talks, a senior official said. The trip was designed to get "a better appreciation of what's going on in those countries and to move along our own interests, not only the security interests, but broader interests in political and economic terms," the official said.

(Bill Kritzberg, Washington Times, A7)

U.S. AND CANADA COMBINE FORCES IN A LOSING WAR AGAINST NARCOTICS

TORONTO -- So much cocaine is coming into Toronto International Airport from Florida that Canadian customs officers are treating flights from Miami and Ft. Lauderdale as if they were from "source" countries such as Colombia or Peru.

To fight this problem, U.S. and Canadian law enforcement authorities work together on a daily basis. "Our main partner in drug enforcement is is the DEA," said Royal Canadian Mounted Police Superintendent Rod Standler. (Barry Brown, Washington Times, A1)

U.S. SAYS PROGRESS BEING MADE ON
RESOLVING CANADIAN LUMBER IMPORTS

U.S. Trade Representative Yeutter today told congressmen from lumber-producing areas that progress was being made to resolve complaints that Canada was subsidizing timber exports to the United States.

A congressional aide attending the closed-door meeting said Yeutter told the 22 representatives and six senators attending the session that a second negotiating session with Canadian trade officials would be held in several weeks. (Reuter)

U.S. CRITICIZES HUNGARIAN ACTIONS ON HUMAN RIGHTS

The State Department said today that recent actions by Hungarian authorities to limit peaceful demonstrations and free expression called into question their pledges to observe human rights agreements.

It cited reports of a violent breakup of a protest demonstration in Budapest five days ago and reports that a number of dissidents connected with unofficial publications had been subjected to repeated house searches, confiscation of materials and administratively-imposed fines. (Reuter)

EDITOR'S NOTES: "How A House Swing Vote Was Swung," by Milton Coleman appears on page A1 of the Washington Post.

"Reagan Battled For Votes Down To Wire," by Warren Strobel appears on page A9 of the Washington Times.

"Nicaraguan Opposition Newspaper Worried About Source Of U.S. Funds," by Sidney Blumenthal appears on page A8 of the Washington Post.

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NATIONAL NEWS

SENATE PANEL'S BUDGET IN TROUBLE WITH GOP

The Senate Budget Committee's tax-and-spending blueprint for next year ran into problems with Republicans yesterday, even as it was hailed as a "good start" by the chief budget-writer for House Democrats.

The White House continued to criticize the committee's plan for proposing to raise taxes and curtail defense spending, while spurning many of President Reagan's proposals for domestic spending cutbacks.

(Helen Dewar, Washington Post, A4)

HOUSE GIVES IN TO SENATE, EXTENDS 16-CENT CIGARETTE TAX

A weary House ended a 3-month-old argument with the Senate yesterday night and gave final congressional approval to a leftover \$18 billion deficit-reduction package that makes permanent the 16-cent-a-pack federal tax on cigarettes.

The measure is now headed to the White House for President Reagan's expected signature. The amended version of the measure the House accepted was passed by the Senate on a voice vote last week.

(AP story, Washington Times, A4)

Congress Completes Cigarette Tax Hike, Deficit Cut Bill

Congress completed legislation tonight to continue the current 16 cent a pack cigarette tax as part of a four-year, \$25 billion deficit cutting measure. After a month-long delay, the legislation cleared the House on a 230 to 154 vote and went to President Reagan for his expected signature.

Earlier, the House and Senate had deadlocked over the legislation with the White House insisting Reagan would sign only a Senate version of the measure. Tonight, the House relented and agreed to the Senate version.

(Reuter)

MRS. REAGAN'S PLANE MIRED IN ATLANTA MUD

ATLANTA -- A plane carrying Nancy Reagan slipped into some mud as it prepared to taxi down a runway yesterday but the first lady and the other passengers were not injured, officials said.

Elaine Crispen, Mrs. Reagan's press secretary, was sitting across the aisle from her when the mishap occurred. "I was in Mrs. Reagan's compartment in front of the plane. She was visibly shaken and her first comment was, 'Is everyone all right?'" Miss Crispen said. "A couple of people fell, but no one was injured, just badly shaken," she said.

(Washington Times, A2)

First Lady Unhurt After Plane Slides Off Runway

Nancy Reagan, described as "visibly shaken" when her plane slipped off the runway at an Atlanta airport, has returned safe and sound to the White House. The President told the first lady in a telephone call after the incident, "I'll be waiting for you."

(Susanne Schafer, AP)

HOLLINGS SEEKS WHITE HOUSE LOGS TO CHECK FOR CALLS ON SPACE LAUNCH

Sen. Ernest Hollings demanded the telephone logs for nine presidential assistants yesterday to learn whether or not there was any pressure on NASA to launch space shuttle Challenger on Jan. 28.

"Rumors of White House involvement have persisted too long," Mr. Hollings wrote. "The time has come to be more open and put this issue to rest once and for all."
(Washington Times, A2)

PENTAGON IGNORED OWN RULES IN GIVING NAMES, GAO SAYS

The Defense Department ignored its regulations when it provided 1.4 million servicemen's names and addresses to the Reagan-Bush Campaign Committee in 1984, according to a GAO report due to be released today.

The campaign committee obtained 20 computer tapes of addresses by filing a Freedom of Information Act request. It used them to mail political literature on behalf of Republican candidates for the U.S. Senate, the GAO said.

The GAO does not say that the names should have been withheld, but that the normal process for evaluating the FOIA request was not followed.

(Fred Hiatt, Washington Post, A2)

"DISINFORMATION" LINK DRAWS IRE OF PENTAGON SPACE DEFENSE OFFICER

A key Pentagon official yesterday said he was "appalled" that remarks he made in a speech this week were linked to a magazine report that the Pentagon is conducting a disinformation program on the SDI and other military programs.

"Trying to link an attempt by us [the SDI office] to explain what we do with the Soviets -- and why certain information is not readily available -- to some deliberate disinformation campaign is appalling," said Lt. Col. Simon Worden, a special assistant and SDI representative at the Geneva arms talks.
(Walter Andrews, Washington Times, A3)

-end of A-Section-

NETWORK NEWS SUMMARY

(Thursday Evening, March 20, 1986)

NICARAGUA

CBS's Dan Rather: The White House suffered a defeat this afternoon, on President Reagan's new \$100 million aid package for Nicaraguan rebels. But the bill still has a chance.

CBS's Phil Jones: From the Democratic side of the House floor came a cheer when they had defeated the President. 222 to 210, opponents winning with five votes to spare. It was a rare setback for the President, whose lobbying on the Hill failed. Vice President Bush even turned to religion in last-minute calls.

(Vice President: "Hang in there, and have a little prayer session with yourself at the very end. Who knows? A lot of guys have seen the light.")

It was an emotional issue that divided both parties. 16 Republicans deserted the President and voted no; 46 Democrats voted with the President.

(Rep. Pepper: "We will not tolerate communism to be the dominant character of the state in any part of the Western Hemisphere!")

(Speaker O'Neill: "The policy of providing military weapons for the war in Nicaragua -- it takes us down the wrong direction. It takes us further down the road -- further toward a situation where our country's troops will be involved.")

(Rep. Michel: "Yes! It is a doggone confrontation between East and West, and don't you ever forget it! I say why not get the job done while it is still manageable and without American troops.")

One of the contra leaders, lobbying for the aid, expressed disappointment.

(Alfonso Robelo: "For us, the contras fighting in Nicaragua, this is -- and we say -- a stunning blow.")

The White House vowed to continue the fight.

(Larry Speakes: "Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed.")

(Rep. Hartnett: "The message to Daniel Ortega was you have a free hand, not only in Nicaragua, but throughout Central America. The message to the contras is that you'd better run for the hills, fellas.") Democrats saw this as a harbinger of things to come.

(Rep. Aspin: "The effect is going to be on the President's effectiveness, because there's going to be more lame-duck talk, more talk about this second term White House not as good as the first-term White House.")

This battle is far from over. The Republican-controlled Senate will vote on a compromise package next week, and then this hot issue will be back on the House floor next month.

Rather: Bill Plante is standing by at the White House. Bill, I gather the President and his men still think they'll come out a big winner. Why?

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CBS's Bill Plante: Dan, they think they've lost nothing but time. That they're going to win exactly what was voted down today in the Senate and again on that second vote in the House. All \$100 million: \$70 million in military and \$30 million in humanitarian aid. They're even talking about making up for some of that lost time, by reducing the delay for offensive military aid from 90 to 60 days. The President and his men think this is a temporary setback; they insist that the second time around in the House, they have already been promised enough votes to make up the difference.

Rather: If that's the case, then why was Larry Speakes' statement so emotional, talking of the darkest day of freedom, and that sort of thing?

Plante: Certainly to encourage the contras and to warn the Sandinistas, in part. The statement was written by the President's Communications Director, Pat Buchanan. He has had the lead on this from the beginning and set the tone. Some other staffers here thought it was needlessly harsh and confrontational, at a time when they're trying to win a legislative battle. There were reportedly three previous versions, each one tougher than the one that was finally delivered. But that is and remains the tone of this debate.

Rather: In Nicaragua, pro-government newspapers stepped up their anti-U.S. rhetoric. One front-page editorial was headlined, 'Alert Against A Declaration Of War.' Another urged Nicaraguans to "prepare yourself to resist and win." The sum of these pro-Sandinista editorials: the U.S. is planning to invade. But the Nicaraguan government already has a war on its hands, and the war included action at the border with Honduras.

CBS's Michael Conner: The Nicaraguan government said the vote was a move for peace. It hopes the vote marks the beginning of a new U.S. policy. But the Sandinistas continue to press their war against the contras. Today, many government troops are searching for the contras who have carried out a series of sabotage attacks near the border with Honduras. And now Honduras, as it has in the past, is sending troops to its side of the border, because the Hondurans say they are worried that the Sandinista army will cross.

(Sandinista militiaman: "The contras just fire a few shots and run away. That's all they do. They're no match for us.")

The Sandinistas have gotten a pledge from Fidel Castro: That any assistance the United States gives the contras will bring more military aid from Cuba. (CBS-Lead)

ABC's Peter Jennings: Political defeat for the President. There's no doubt about it; the President lost a big one. After three weeks of the most passionate lobbying on behalf of aid for the Nicaraguan contras, the President was turned down by the House of Representatives. The President wanted \$100 million in mostly military aid for the men trying to overthrow the government in Nicaragua. The vote was 210 in favor and 222 against. Mr. Reagan is calling it a dark day for freedom.

ABC's Charles Gibson: It was an extraordinary vote. The level of feeling in the Capitol ran very deep, and no one felt it more than the Speaker.

(O'Neill: "I see down the line this policy bringing American boys to their death. And I think it is wrong, just to prove a point, and that's what they're trying to do. Prove a point with the Soviet Union.")

The Administration had pulled out all the stops, and kept up pressure on House members right to the end. But the Democratic nose counters, whose numbers proved remarkably accurate, were still confident. The Administration's last-minute compromise moves, they claimed, had fizzled. The closeness of the vote, the emotion of the issue, was evident in the final debate between the leaders of the two parties. Both called it a matter of conscience. 16 Republicans voted with 206 Democrats to defeat the President's request for aid to the contras. The final margin was 222 to 210. In the chair, after the vote, the Speaker acted like it was just another day. But one Republican vote counter, when asked why they'd lost, said simply -- "Tip." Some Democrats said White House charges from Communications Director Patrick Buchanan that the vote would show whether Congress stood with Reagan or the communists had hurt the President. But the divisions don't go away and neither does the issue. Compromise contra aid plans are still to be considered by the Congress.

ABC's Sam Donaldson: Sharp disappointment and stiff determination to battle on marked the President's reaction to his defeat on contra aid, as delivered in a toughly-worded statement by Mr. Reagan, read by Press Secretary Larry Speakes.

(Larry Speakes: "Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed. Those Democrats and Republicans who stood with the forces of freedom have the nation's profound gratitude and the President's. The next battle will bring us the victory that that just and good cause rightly deserves.")

Speakes attributed the defeat to the fact that the President had started so far behind, and to Tip O'Neill's last-minute tactics. He was unrepentant when told some Democrats were saying that fiery White House rhetoric had backfired.

("We presented our message the way we thought it to be most effective. We are telling the truth. We think the American people -- once they know the truth -- will then make their views known.")

Truth or not, contra aid critics have turned their enmity on White House Communications Director Buchanan, because of his slashing partisan attacks.

(Patrick Buchanan: "Isn't it amazing? -- Here we are in 1986, and Soviet tanks, Soviet gunships are killing friends of ours on the North American continent and the Congress of the United States -- a part of it -- professes indifference.")

At the White House today, Sen. Dole suggested that the issue would not be framed in the Senate in that kind of language. And Dole predicted a Senate victory for the President.

(Senator Dole: "Temporarily, we've had a setback. The President has, the contras have. But we'll move on now to the next performance, which will occur on live radio in the U.S. Senate, starting next Tuesday.")

Donaldson continues:

White House officials seem convinced they'll win in the Senate, and then in mid-April, get substantially what they want from the House. "We'll win in the end," said one official. And what of the rhetoric? If the President's statement today is any measure, it will continue to be tough. (ABC-2)

NBC's Tom Brokaw: As political battles go, this was hand-to-hand combat. And President Reagan lost, but not by much. The House voted 222 to 210 against the President's request for \$100 million for the contras -- rebels fighting the Sandinista government of Nicaragua.

NBC's Bob Kur: When the decisive vote was cast, the emotional debate came to a dramatic conclusion.

(TV: Applause in House gallery.)

Spectators had waited for hours to watch today's debate. Some congressmen and their aides wore anti-contra buttons. Others, on the House floor, passed around Marx and Lenin postage stamps from Nicaragua. But Democrats said it was a day to win one for the "Tipper."

(O'Neill: "I see down the line this policy bringing American boys to their death. And I think it's wrong just to prove a point -- and that's what they're trying to do -- prove a point with the Soviet Union.")

Pro-aid congressmen had a different message.

(Rep. Michel: "Yes! It is a doggone confrontation between East and West, and don't you ever forget it!")

(Rep. Pepper: "We will not tolerate communism to be the dominant character of the state in any part of the Western Hemisphere!") But not even last-minute phone calls from Ronald Reagan could sell his policy.

(TV: Congressman talking on phone to the President.)

Rep. Mullohan: "You may be leading too much with a military option, and not at the same time on a parallel track pursuing an aggressive diplomatic effort.")

Rejected today: the President's request for \$100 million for the contras. \$70 million in military aid. In spite of Mr. Reagan's promise to delay military aid for three months.

(Rep. Hartnett: "The message to Daniel Ortega is you have a free hand, not only in Nicaragua, but throughout Central America. The message to the contras is, you'd better run for the hills, fellows.") Presidential aide Patrick Buchanan was the man many members say should run for the hills. It was Buchanan who seemed to question the patriotism of contra aid opponents.

(Rep. Barnes (D-Md.): "I think Pat Buchanan was one of our secret weapons in this campaign, and I want to publicly express my gratitude to him.")

(Rep. Foley: "He degraded the debate, and he was ineffective. And in politics, those are two very serious charges.")

The President plans to modify his request before the Senate votes on it next week. Specifically, to make binding by law his promise to delay part of the aid. And next month, here in the House, they'll start all over again trying to come up with a compromise.

NBC's Chris Wallace: Some congressmen may think that that tough White House rhetoric backfired. But after today's loss, the White House was not backing off. Spokesman Larry Speakes read a Presidential reaction to the House defeat that showed no signs of retreat.

(Speakes: "Today's vote in the House of Representatives was a dark day for freedom. This vote must be reversed.")

The White House view is that the Democrats Pat Buchanan's rhetoric as an excuse to oppose the President. Administration officials say the real reason they lost was that Speaker O'Neill made it a party issue. To beat the President now, then compromise later. Speakes said Mr. Reagan will press for contra aid again and again. That any delay in that aid poses the most serious consequences for U.S. National Security.

(Speakes: "So, to the freedom fighters of Nicaragua, the President says: 'Have faith; have hope. The American people are just now awakening to the justice of your cause.' ")

Contra leaders, who have been lobbying Congress for weeks, seemed surprised that awakening is taking so long. But they, too, were looking ahead.

(Adolfo Calero: "It is a stunning blow to our troops. However, we know -- and we have to explain to them -- that the issue has not disappeared. It will come up again real soon, and we're gonna win!") To emphasize that point, the President asked Republican leaders in the Senate to hold their vote next week. Majority leader Dole said all the Reagan package needs is to incorporate the 90-day delay on weapons already promised to the House.

(Chris Wallace: "Sen. Dole, do you think that the President's proposal -- with these new compromises -- will that pass the Senate?" Sen. Dole: "Yes.")

Officials here are still confident that eventually they'll get their military aid for the contras. But after today's loss, there's just a bit less confidence here.

Brokaw: In Nicaragua, there were reports that the government had dispatched extra troops to the North; that the contras had been active, but there were no signs of heavy fighting. The Sandinistas were quiet today.

NBC's Mike Dutcher reports from Managua that the radio stations announced the vote in afternoon bulletins. The government was silent, but the state-controlled media said Nicaragua would have a victorious future. "It's immoral," was the general response of callers who phoned the government radio station to offer their opinions of President Reagan's support for the contras. The government here was so confident of public support that it re-broadcast -- with Spanish translation -- President Reagan's Sunday night speech that attacked the Sandinistas. Contra prisoners of war were permitted to follow the debate in America about the \$100 million.

(Contra prisoner: "I was a Somosista ... but we're not fighting for Somoza; we're fighting for this country -- it's ours!") Political propagandists, assigned to armed units that criss-crossed the country, have had considerable success persuading the people that the contras represent the old days of dictatorships and American occupations. The Sandinistas are confident that no amount of U.S. help will buy the contras a foothold in Nicaragua. (NBC-Lead)

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ARTURO CRUZ INTERVIEW

Jennings: Watching the vote in our Washington studios today was one of the contra leaders, Arturo Cruz, who heads the United Nicaraguan Opposition. He was one of several contra leaders who flew to Washington to help lobby Congress for the military aid.

Jennings: Mr. Cruz, what does it tell you that so many members of Congress, reflecting the public opinion polls, are opposed to giving you aid?

Cruz: "I find that the vote spread is not that large. And this is only a temporary setback, because there is so much at stake.... This is a serious disappointment. This will harden the Sandinistas."

Jennings: Will you be defeated by the Sandinista government now?

Cruz: There is a resolve on the part of the rebels to continue the fight to the bitter end. I don't anticipate any defeat." (ABC-2)

U.S./LIBYA SHOWDOWN?

Brokaw: The "line of death." That is Qaddafi's name for what he claims is the beginning of Libya's territorial waters at the head of the Gulf of Sidra. Today Pentagon officials said that U.S. fighter jets and two Navy ships are expected to cross that line this weekend nonetheless.

NBC's Jim Miklaszewski reports that Pentagon sources say the maneuvers will involve the same two ships that entered Soviet waters in the Black Sea last week. They are the cruiser Yorktown and destroyer Karen. The U.S. attitude is that the Soviets didn't shoot at us in their territorial waters; Qaddafi certainly can't claim any right to do it in international waters. The U.S. denies Qaddafi's claim that the gulf, south of what Qaddafi calls the "line of death," is Libyan territorial water. Just in case, the U.S. has mounted a formidable force in the Mediterranean.

(TV: U.S. ships, carriers shown in sea.)

45 ships, including three aircraft carriers and their 250 planes, are in position to respond to any attack. One official described the operation as "churning the waters," baiting Qaddafi to strike. To give the U.S. an excuse to attack and destroy two newly-constructed missile sites in Libya. U.S. military officials believe, however, that Qaddafi's threat to attack is only a bluff. But after months of saber rattling, the U.S. has yet to call that bluff. One official here now says, "If I were Qaddafi, I'd make sure to be out of town this weekend!" (NBC-3)

MARCOS

Rather: CBS News correspondent Bill Redeker reports tonight from Honolulu that the departure of Ferdinand Marcos from Hawaii to Panama is imminent. A number of people in the Marcos party already are at Hickam AFB. A Marcos party of about 40 members is expected to board a U.S. military transport to flee to Panama. Against the advice of the Justice Department, a House Subcommittee went ahead today and released more Marcos documents, and this touched off a frantic, new search for more evidence of corruption. The stack includes a 1975 decree, in Marcos' handwriting, naming his wife Imelda as his successor, and \$4 million in bank certificates. (CBS-6)

ABC's John Martin: In Washington this afternoon, Asian Affairs Subcommittee Chairman Solarz finally released about 2100 pages of documents taken three weeks ago from the Marcos family when it reached Hawaii. In New York, the Filipino Senator leading the search for the Marcos assets, Obito Solonga, went to federal court and produced a series of documents that he said tie the Marcoses to some of Manhattan's most expensive real estate. (ABC-6)

NBC's Jack Reynolds reports that Administration sources tell NBC News - that Marcos is expected to leave Hawaii within 24 hours. The Administration has military transports standing by at Hickam AFB to fly Marcos and his entourage to Panama. There's a growing feeling in Washington that Marcos has become an embarrassment, and should leave. But that shouldn't stop efforts to recover his illegally-obtained wealth, particularly any stolen U.S. aid funds. Administration sources tell NBC News that as early as 1984, the Pentagon discovered that there were serious problems, such as kickbacks with defense contracts that the Philippine government had with U.S. firms. (NBC-6)

FIRST LADY

Rather: No one was hurt, but First Lady Nancy Reagan and her party got a scare today in a mishap at the Fulton County Airport near Atlanta. The Air Force C-9 plane was preparing to take off when it suddenly hit a sharp right turn, slipped off the runway and got stuck in the mud. Mrs. Reagan was seated, but others on board were thrown about. Again, no one hurt, and tonight, Mrs. Reagan arrived back at Andrews AFB. Having flown there on another plane, she was safe, sound but shaken. (CBS-4)

Jennings: The First Lady, Nancy Reagan, was involved in a minor accident today, and was not hurt. Mrs. Reagan was aboard a presidential aircraft when it slipped off of a runway near Atlanta.

ABC's Mike Von Fremd: Mrs. Reagan's C-9 Presidential Jet sitting cockeyed on the narrow ramp at Atlanta's small Fulton county airport. The plane's right wheel stuck in the mud. The pilot was headed toward the taxi way for take-off, and Mrs. Reagan and her entourage were not all strapped into their seats. The pilot made a right-hand turn that was just a little too sharp, and its tire stuck in the mud.

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Von Fremd continues:

(TV: Shots of plane stuck in the mud.) A spokesman said that Mrs. Reagan was severely shaken, but unhurt. She immediately asked, "Is everyone all right,?" and was assured they were. Mrs. Reagan was forced to wait 2 1/2 hours in a nearby hangar for another smaller plane that was rushed from Andrews AFB. Her spokesman said she took it all as a super sport, and apparently had no harsh words for her original pilot. The First Lady tries to use these out-of-the-way commuter airports to avoid tying up traffic at busier facilities. But the smaller airports have narrow runways, and after this mishap, they may reevaluate where the First Lady lands. (ABC-4)

Brokaw: There was a scare today for First Lady Nancy Reagan. The plane that she was on slipped off of a runway at an airport near Atlanta. Mrs. Reagan and the other passengers were not hurt. She was in Atlanta for a conference on drug abuse. (NBC-5)

DRUG ABUSE/FIRST LADY

ABC's Rebecca Chase reports from Atlanta that the First Lady has helped bring international attention to the drug problem, like she did in her Atlanta appearance today.

(First Lady: "I know how hard you're fighting to close the door to drugs. And I know how tough it can be. But I'm with you; I always have been, and I always will be.")

But even if drugs can't be kept off the streets, there is hope that attitudes and peer pressure can be changed.

(TV: First lady meeting with Atlanta high school students.)

Experts say that could prove to be an effective weapon in the battle to keep drugs out of the schools, and the nation's young people drug-free. (ABC-11)

DRUG TAMPERING

Rather: A report of tampering and threats of tampering, involving three major consumer drug products. But -- according to the FDA, no actual evidence of poisoning has been found in the three products: Contac, Dietac, and Teldrin. Their manufacturer, Smith-Klein-Beckman is warning consumers nationwide not to use these products. (CBS-5; ABC-Lead & NBC-3)

KATARINA LECHITA

Rather: An 11-year-old Soviet schoolgirl, Katarina Lechita, has left Moscow on a two-week peace tour of the U.S. She will visit Chicago, New York, Washington, Houston, and Los Angeles. (CBS-14; ABC-10)

AFGHANISTAN

Rather: The contra rebels are one thing, the Afghan rebels another. The Soviet invasion of Afghanistan now is in its seventh year, and if it keeps on it will "lead to a situation approaching genocide." Those words are from a new United Nations report obtained by CBS News. It is the first U.N. report to explicitly document Soviet atrocities. The report sees the only solution to human rights violations as the withdrawal of Soviet troops.

(CBS-15)

NASA/CHALLENGER

Rather: NASA is still inexplicably silent, but a source close to the Rogers Commission investigating the Challenger disaster now tells CBS News that key pieces of debris have apparently been recovered. That among the debris are parts of the critical right solid rocket booster.

(CBS-8; ABC-5; NBC-4)

U.S. ECONOMY

Brokaw: The government reported today that the average Americans' personal income rose last month by a healthy six-tenths of a percentage point. Consumer spending, at the same time, was up three-tenths of a point, and that also is healthy.

(NBC-11)

COMMENTARY

NBC's John Chancellor: The American economy is on a roll.... Those are figures that gladden the hearts of Republicans who will be running for reelection this fall. But there are some troublesome signs. Yesterday we learned that the economy barely grew in the last quarter of 1985. And today's figures on personal income and consumer spending aren't big enough to promote overall economic growth, according to Chase Econometrics.... When will the next recession arrive?.... The economy is living on borrowed time right now.... The timing could be crucial politically. One very senior Republican, who won't let his name be used, said the other day, "Let's have the recession soon; let's get it over with, so we can keep the White House in 1988".... The average length of a recession these days is 12 months. So a recession within the next year or so would clear the way for a recovery that would be in place for the next presidential election, which would help the Republicans....

Editor's Note: CBS began the first of two reports on the Afghan resistance fighters.

(CBS-15)

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EDITORIALS/COLUMNISTS

CHILE/NON-COMMUNIST 'DICTATORSHIPS'

U.S. Right to Rebuff Chile -- "The U.S. policy of 'constructive engagement' has been no more successful in Chile than it has been in South Africa, and it is good that the Reagan Administration finally has come to realize that. In a long-overdue shift, the Administration has sharply criticized the government of Augusto Pinochet, whose regime has been marked by widespread repression and violence....By its shift in approach, the Reagan Administration appears to have learned the lesson of Haiti and the Philippines." (Dallas Times Herald, 3/18)

A Changed Course on Chile -- "The Reagan Administration commendably has reversed its policy toward the military regime of President Augusto Pinochet in Chile....Chileans cannot be content to see neighboring Argentina or giant Brazil move toward democracy, while they are left on the sidelines of authoritarianism. The people of Chile deserve support in their quest for restoration of full democratic government."

(Christian Science Monitor, 3/18)

Chile: The U.S. Rightly Protests the Use of Repression and Torture -- "The Reagan Administration has publicly, albeit beleatedly, attacked Chile's despicable record of human rights violations....To his credit, President Reagan has discovered in the Philippines and Haiti that the United States need not always choose between police states and communist insurgencies, and that to prop up the former often can enhance support for the latter among peoples grown weary of abuse. We wish, however, that the President would refrain from twisting this lesson to fit his preconceptions about Nicaragua." (Detroit Free Press, 3/15)

Reality in Chile -- "In a welcome about face, the Administration finally has recognized it can no longer watch in silence as Chile's military regime tortures its people into submission. Following its much-delayed condemnation of similar violations in Haiti and the Philippines, the decision publicly to express 'deep concern' with human-rights violations in Chile is certainly appropriate....Even more welcome, however, is Reagan's related and long-overdue general statement declaring that his Administration opposes all forms of dictatorship -- whether pro-Communist leftist or anti-Communist rightist. It's about time." (Miami Herald, 3/17)

Oppose all Dictators -- "Reagan's announcement that he will oppose dictatorships of the right as well as of the left and that he will commit the U.S. to 'democratic revolution' the globe over is very welcome news....Let us hope that Reagan continues to have the whole world in mind in his resistance to dictatorship, and not just Nicaragua....Reagan seems to be reminding the country, and the world, that the U.S. continues to stand for something good -- for real democracy or the possibility of it, and for human rights. It is a reminder that was needed, in view of the confusion that has been caused by sometimes unavoidable strategic preferences forced upon us by security considerations." (Chicago Sun-Times, 3/19)

(Editorials/Columnists continued)

TAX REFORM

Packwood's Hidden Tax Plan -- "While his plan has drawn preliminary praise, even from the White House, there are reasons to believe it would prove a serious drag on the economy -- and it appears even more complex than the present tax code. Though the Packwood plan lowers individual tax rates, which we applaud, it 'pays' for these reductions through 'hidden taxes' on investment and business that appear even more onerous than the Democratic House plan. It now appears to be the most anti-growth of the three main proposals, a considerable irony coming from a Republican senator in a Republican-controlled Senate....If there aren't substantial improvements in the Packwood bill, the country and the economy would be much better off without any 'tax reform' at all...."

(Detroit News, 3/19)

TAX AMNESTY

Federal Plan Worth a Try -- "A federal amnesty might work. It's a plan worth a try. If Congress does approve such a plan, the IRS then should follow up with a dramatic increase in the number of returns audited, with special emphasis each year on the cheaters who are granted amnesty. This would help ensure that they continue to pay....We doubt that many taxpayers would cheat as a result of the plan. Only the marginally honest would be tempted, and they probably would succumb to most any tax dodge they thought they could get away with."

(Oregon Statesman-Journal, 3/10)

DRUG SMUGGLING

Use Military Might to Battle Drug Czars -- "Taxpayers of the United States will spend about \$296 billion this year for military expenditures. And we are not fighting a war. But we should be. The United States is being invaded by drugs and many believe the drug traffickers are winning the battle. We do have the resources at hand to fight back, but it will take a radical and courageous departure from tradition to do what we must to win this war against drugs. Our nation can and should commit more of its military might to the drug war."

(Canon City Daily Record, 3/12)

SOVIETS/U.N.

Cutting the Soviet U.N. Staff -- "Washington is well within its rights to demand a reduction, and the Soviets are foolish to even hint that they would tie the issue to the summit....Moscow has said the U.S. action raised the question 'whether it is appropriate for U.N. headquarters to be situated in a country that does not fulfill its obligations to the organization.' If the Soviets really feel that way, here's a suggestion that no doubt will make Mr. Gorbachev and his KGB chiefs cringe: Move the headquarters of the world political body to Moscow. That way American spies will have a convenient place to roost."

(Chicago Tribune, 3/19)