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# News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, APRIL 25, 1986 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### INTERNATIONAL NEWS

Reagan Has Talks On Tokyo Summit And Calls Aquino -- President Reagan conferred today with Congressional leaders and aides as he prepared for the longest journey of his presidency, a 22,000-mile, 13-day trip to the Far East.  
(Washington Post, New York Times)

Police Investigate Possible Libyan Link With London Explosion -- British anti-terrorist police are investigating whether there was any Libyan connection with a blast that wrecked a British Airways office in a building that also houses two American companies in central London.  
(Washington Post, Reuter)

### NATIONAL NEWS

Senators Seek Independent Counsel To Investigate Deaver -- Five Democrats on the Senate Judiciary Committee have called on Attorney General Meese to consider appointing an independent counsel to investigate the lobbying efforts of Michael Deaver, an aide to Sen. Joseph Biden said Thursday night.  
(Washington Post, Washington Times, New York Times, AP)

### NETWORK NEWS (Thursday Evening)

U.S./LIBYA -- President Reagan's remarks that he was prepared to attack Syria and Iran touched off some high level clarification in the Reagan Administration today.

ECONOMIC SUMMIT -- President Reagan tomorrow flies to Los Angeles on his way to the economic summit meeting in Asia.

DEAVER -- Ever since Michael Deaver said farewell to his job as deputy chief of staff, he has retained tremendous access.

#### THE WINDS OF FREEDOM

"As we lift off aboard Air Force One, circling half the globe, the winds of freedom will be propelling my mission."  
(President Reagan, 4/23)

## INTERNATIONAL NEWS

### REAGAN TO DEPART TODAY ON A FAR EASTERN JOURNEY

President Reagan departs today on a 22,299-mile Far Eastern trip that will be dominated by talks with allies about the intensifying threat of Libya-backed terrorism but is also expected to focus on strained relations with Europe and Japan over trade and economic issues.

White House officials have dubbed the trip a celebration of the "winds of freedom," emphasizing economic growth and the spread of democracy. But the Reagan odyssey may also highlight differences with allies over use of military force against terrorism.

(David Hoffman, Washington Post, A29)

### Reagan Has Talks On Tokyo Summit And Calls Aquino

President Reagan conferred today with Congressional leaders and aides as he prepared for the longest journey of his presidency, a 22,000-mile, 13-day trip to the Far East.

The trip, which begins Friday when Mr. Reagan flies to Los Angeles for an overnight stay, will include meetings with Southeast Asian foreign ministers in Bali, Indonesia, and with the leaders of the seven major industrial democracies in Tokyo.

(Bernard Weintraub, New York Times, A1)

### ASEAN LEADERS TO VOICE COMPLAINS TO REAGAN

NUSA DUA, Indonesia -- Exotic dancers, intense security and questions about U.S. trade and Asian policies await President Reagan when he visits this renowned tourist resort island of Bali next week before flying to the Tokyo summit meeting.

Officially billed in part as a rest stop, the visit from April 29 to May 2 seems likely to become a forum for Southeast Asia's misgivings about various U.S. policies, mainly those affecting the economies of the region's noncommunist states, diplomats said.

(William Branigin, Washington Post, A29)

### SHULTZ SAYS U.S. HAS NO PLAN TO STRIKE IRAN, SYRIA

Secretary Shultz, seeking to clarify remarks by President Reagan, said yesterday that while the U.S. has shown that it will use force to fight international terrorism, there are no plans for military retaliation against Iran or Syria if they are linked to terrorist acts.

"We don't have any plans for such operations," Shultz said in reference to statements made by Reagan Wednesday in a meeting with columnists and commentators.

(Washington Post, A34)

## EUROPEANS SET TO EXCHANGE TERROR DATA WITH U.S.

THE HAGUE -- Cabinet ministers from European Common Market countries agreed today to step up their exchange of terrorism information with the U.S. and other nonmember nations in an effort to close the net on international terrorists. (AP story, Washington Post, A35)

## JUSTICE DEPT. OFFICIAL RECOMMENDS BARRING WALDHEIM FROM U.S.

The Justice Department official responsible for investigating Nazi war crimes has recommended that Kurt Waldheim be barred from the U.S. because of charges that he was involved in World War II atrocities against Yugoslav partisans, department sources said yesterday.

The sources emphasized that the recommendation by Neal Sher is only an advisory opinion and that Attorney General Meese will have to decide whether to follow Sher's advice.

Sources said that Meese, in deference to Administration sensitivities about interfering in the May 4 election, is unlikely to take any action before then. (John Goshko, Washington Post, A1)

## BRITISH BELIEVE U.S. WAS TARGET OF BOMB

LONDON -- Police suspect a bomb that exploded outside a British Airways office in central London early this morning was intended for the American Express facility located inside, sources close to the investigation said.

There was widespread acknowledgement by British officials and U.S. diplomats that the bombing had heightened fears among the U.S. business community here and potential American tourists that London is not safe.

(Karen DeYoung, Washington Post, A1)

## Police Investigate Possible Libyan Link With London Explosion

LONDON -- British anti-terrorist police are investigating whether there was any Libyan connection with a blast that wrecked a British Airways office in a building that also houses two American companies in central London.

Junior Home Office Minister Giles Shaw told Parliament there was no evidence linking the bombing with Libyan reprisals against last week's U.S. raids on Tripoli and Benghazi. (Nassir Shirkhani, Reuter)

## ABBAS-LED TRIBUNAL TO TARGET THE WEST

Mohammed "Abu" Abbas said yesterday he was organizing a secret meeting of revolutionary groups to act against the U.S. and Israel.

In a telephone interview from an undisclosed location, Abbas told the Reuter News Agency that the revolutionary groups would try to set up an international tribunal, modeled after the Nuremburg Nazi war crimes tribunal, "to issue verdicts on the enemies of the people."

(Washington Times, A1)

### U.S. PRESSES ETHIOPIAN REGIME WITH RHETORIC, COVERT ACTION

Two years ago, Ethiopian security police abducted and tortured a CIA officer involved in a CIA covert propaganda campaign against the Marxist government in Addis Ababa, according to informed sources.

The Administration never publicly protested the incident, which U.S. intelligence officials say is one of the worst attacks by a foreign government on a CIA officer working as an accredited diplomat. But accounts of the episode have circulated in the Administration and Congress, contributing to the general deterioration of U.S. relations with Ethiopia. (Patrick Tyler & David Ottaway, Washington Post, A1)

### AQUINO GETS HER TURN ON PHONE WITH REAGAN

President Reagan telephoned President Aquino yesterday to placate Filipino pique at his decision to call former president Marcos on his way to the economic summit in Tokyo.

The White House said the President expressed "his and Mrs. Reagan's best wishes" to Mrs. Aquino and the Filipino people and offered U.S. assistance "in meeting the challenges that lie before her government." (Washington Times, A1)

### HILL URGED TO FUND RESEARCH ON EUROPEAN MISSILE DEFENSES

Congress should establish a special fund to finance research on a defense system to protect Europe against attack by medium and short range Soviet missiles both nuclear and conventionally armed, Defense Department officials testified yesterday.

(Walter Pincus, Washington Post, A9)

### BONN LEADER CRITICIZED FOR SDI PACT WITH U.S.

BONN -- Chancellor Kohl's government has come under attack from political opponents for leaving West Germany vulnerable to more severe curbs on high-technology exports to the East-bloc because of commitments undertaken with the U.S. in joining the "Star Wars" research program.

(William Drozdiak, Washington Post, A39)

### U.S. QUALIFIES PRAISE FOR END TO "PASS LAWS"

The Reagan Administration yesterday praised South Africa's decision to abolish most laws prohibiting free movement of blacks as "a major milestone on the road away from apartheid."

However, Charles Redman stressed that the white minority government's "proposals are so far ranging and complex that we must reserve judgement on their full implications for blacks." Other department officials added that there are no plans to lift the limited economic sanctions imposed by President Reagan against South Africa last fall.

(Washington Post, A40)



U.S. SUPPORT OF TAIWAN JET FIGHTER  
CITED BY PEKING AS VIOLATION OF PACT

PEKING -- China's Communist Party chief, Hu Yaobang, has warned that the U.S. could be violating a major agreement with China by supplying military technology to the rival government of Taiwan for its development of an advanced jet fighter plane.

(Daniel Southerland, Washington Post, A32)

NICARAGUAN PRESIDENT ACCUSES U.S. OF DOUBLE GAME

MANAGUA, Nicaragua -- Daniel Ortega accused the U.S. on Thursday of playing a double game in Central America, saying President Reagan was threatening Nicaragua as touring U.S. envoy Philip Habib professed support for peace.

In his remarks, made during an official nighttime ceremony, Ortega referred to a speech this week in which Reagan said Nicaragua's leftist Sandinista government was "building a Libya in the shadow of the United States."

(Reid Miller, AP)

Habib Letter Seen As Possible Key To Nicaraguan Compromise

A potential compromise between the Reagan Administration and the Sandinista leadership of Nicaragua is emerging which would end U.S. support for the Contra guerrillas in exchange for guarantees of peaceful behavior by the Sandinistas, several congressmen said Thursday.

Several lawmakers and other officials said they are encouraged that such a compromise is even being discussed, and they credited presidential envoy Philip Habib as pointing the way.

(Gregory Nokes, AP)

Opponents Of Contra Aid Misread Letter, Habib Says

Philip Habib said yesterday that some congressmen and groups that oppose U.S. aid for the Nicaraguan rebels completely misread a letter he wrote restating Administration policy on the Central American conflict.

Mr. Habib and several State Department officials said they were perplexed by the excitement the letter created in Washington, where anti-rebel congressmen and organizations breathlessly heralded the letter as a sign the Administration would stop supporting the guerrillas the moment a peace treaty is signed. (James Morrison, Washington Times, A7)

GOP In House Pushes Petition To Free Contra Aid Bill From Committee

With the ink on a handful of signatures already dry, House Republicans yesterday geared up for a petition-signing campaign that they hope will end with House approval of President Reagan's \$100 million aid package for the Nicaraguan resistance.

The petition to force the aid package out of the House Rules Committee for a vote on the floor must be signed by a majority of lawmakers. It was filed Wednesday.

(Warren Strobel, Washington Times, A2)

## **NATIONAL NEWS**

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### **ORIGINS OF DEAVER-CANADA TIE DETAILED**

Michael Deaver was still working in the White House when he first talked with Canadian government officials about signing up Canada as a client for the Washington lobbying firm he planned to establish, according to a knowledgeable Canadian source.

"Yes, I know there were discussions, certainly before Deaver left the White House," the sources said. William Fox, chief spokesman for Prime Minister Mulroney, said yesterday, "That is an unsubstantiated allegation," which he described as "not true."

(David Hoffman & Herbert Denton, Washington Post, A1)

### **Senators Seek Independent Counsel To Investigate Deaver**

Five Democrats on the Senate Judiciary Committee have called on Attorney General Meese to consider appointing an independent counsel to investigate the lobbying efforts of Michael Deaver, an aide to Sen. Joseph Biden said Thursday night.

In a letter the senators argue that there is sufficient evidence of possible conflict of interest to warrant a probe by a special prosecutor, said Peter Smith, Biden's press secretary. (Joan Mower, AP)

### **Democrats Press Meese For Inquiry On Deaver Ethics**

Sen. Joseph Biden who initiated the letter to Mr. Meese, said in an interview, "There's enough evidence out there so that, on the face of it, it seems like there are some real problems."

Mr. Biden said the reasons for appointment of a special prosecutor seemed so compelling that the burden of proof was on the Justice Department to show why one should not be appointed.

Under the Ethics in Government Act, Mr. Meese must respond within 30 days and tell the senators whether he has asked a court to appoint an independent counsel or, if not, why.

(Martin Tolchin, New York Times, A1)

### **Secret Service, Reagan Staff Discuss Deaver Getting Data**

Secret Service and White House officials met yesterday to discuss the security implications of the fact that Michael Deaver has been receiving daily copies of the President's schedule.

"There have been ample discussions between the Secret Service and the White House staff regarding [the] article and we are confident that distribution of the President's schedule is being made with his security in mind," Secret Service spokesman Jack Taylor said. "The President's continued security needs are being met," he said.

(George Archibald, Washington Times, A3)

## REAGAN ORDERS A STUDY TO DECIDE IF U.S. SHOULD BUILD NEW MISSILE

President Reagan has ordered a study to investigate if the U.S. should develop a new mobile multiple-warhead missile that is about the size of the 78,000-pound Minuteman, Administration officials said today.

The request for the study is contained in a classified directive, signed by Mr. Reagan, that also makes a provisional call for dismantling two Poseidon submarines to adhere to the limits of the unratified second treaty on limiting strategic arms. (Michael Gordon, New York Times, A1)

## INDEPENDENT COUNSEL NAMED IN EPA DOCUMENTS CASE

A federal appeals court panel named Washington attorney James McKay as an independent counsel yesterday to examine allegations that former assistant attorney general Theodore Olson gave false testimony to Congress in 1983 about the Administration's withholding of EPA documents.

But the three judge panel, following limits set by Attorney General Meese, did not ask the independent counsel to investigate two former deputy attorney generals and others who were accused of wrongdoing in a 1,300-page report last December by the House Judiciary Committee.

(Howard Kurtz, Washington Post, A1)

## ADMINISTRATION MAY TRY TO TAKE CONTROL OF NATIONAL GUARD AWAY FROM STATES

The Reagan Administration, in a move sure to arouse controversy, is considering legislation that would circumscribe the authority of state governors over their National Guard units.

The move is described as a direct response to the decision by a handful of governors to deny permission to their guardsmen to train in Central America.

(Norman Black, AP)

## "WORST-CASE" ENVIRONMENTAL RULE SCRAPPED

The White House Council on Environmental Quality has decided to abolish a rule that requires federal agencies to consider the worst environmental consequences of their actions, contending that the regulation is "unproductive and ineffective."

The decision, to be announced today, caps a three-year Reagan Administration effort to limit the reach of the National Environmental Policy Act. According to the council, the amended regulations will improve the quality of environmental impact statements by establishing a "more careful and professional approach...in the face of incomplete or unavailable information."

(Cass Peterson, Washington Post, A3)



PENTAGON HAS FOUND USES FOR  
\$2.2 BILLION IN "SAVINGS"

The Defense Department has already committed \$1.7 billion of the \$2.2 billion in "savings" found in its fiscal 1986 budget and is seeking congressional approval to redistribute the remaining amount among weapons, research and other accounts, Pentagon Comptroller Robert Helm said yesterday.  
(George Wilson, Washington Post, A7)

MAJOR CRIME UP 4 PERCENT IN 1985

After a three-year decline, major crimes reported to police rose 4 percent in 1985 compared to the previous year, the FBI reported Thursday.  
(AP story, Washington Post, A8)

PACKWOOD WOULD ELIMINATE ITEMIZED DEDUCTIONS

Bob Packwood, in an effort to jolt life into the tax overhaul effort, yesterday proposed to his panel a modified flat-rate tax system that would end all individual income at either 15 percent or 25 percent.  
(Anne Swardson, Washington Post, A13)

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## NETWORK NEWS SUMMARY

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(Thursday Evening, April 24, 1986)

### U.S.-LIBYA

NBC's Tom Brokaw: President Reagan's remarks that he was prepared to attack Syria and Iran -- if he had proof they supported terrorism -- touched off some high-level clarification in the Reagan Administration today. As correspondent Chris Wallace reports now -- the clarifications raise still more questions about the Administration's policy.

NBC's Chris Wallace: The President wasn't talking about Syria and Iran today, but other officials were -- trying to soften his threat yesterday to widen the war against terrorism. Secretary Shultz emphasized the U.S. is not about to attack either country.

(Secretary Shultz: "We don't have any plans for such operations.")

At the State Department, there was even more of a retreat.

(Charles Redman, State Department spokesman: "The President's remarks yesterday were in response to a hypothetical question and they represent no change in U.S. policy.")

What Mr. Reagan said was that he would use force against Iran or Syria, if either were directly linked to terrorism -- the link is certainly there. The Administration said Khomeini and Assad have supported groups responsible for bombing the Marine barracks in Beirut, last summer's TWA hijacking and the December massacre at the Rome and Vienna airports.

(Robert Hunter, Middle East expert: "I would put Khadafy no better than third. I would put Syria clearly number one in perpetrating terrorism; and at the moment, probably Iran number two.")

Officials say the U.S. is not about to go after Khomeini or Assad. First, they say there is no smoking gun linking them to specific acts. The U.S. would risk more by attacking Iran or Syria.

(Joseph Sisco, former undersecretary of state: "Khadafy is isolated in the region, isolated in the world and frankly, he is a thousand miles away from what is considered to be the front line in the Middle East.")

Part of the problem is the Soviets -- who have close military ties to Syria and share a border with Iran -- and would be directly challenged by a U.S. attack. In addition, the Administration respects Assad's role in the Middle East peace process and fears Khomeini's ability to unleash Moslem fanatics.

(Hunter: "We have diplomatic objectives both with Syria and with Iran -- things that we want to accomplish with them. With regard to Khadafy and Libya -- we would just assume do what we did -- we have nothing else we want from that country.")

Reagan aides say if there ever is a smoking gun, the President retains his military option. They emphasize how unlikely that is. One top official saying, there is no reason for lights out in Tehran and Damascus.

(NBC-LEAD)

U.S.-LIBYA (continued)

ABC's Peter Jennings: President Reagan caused quite a stir last night when he appeared to say the U.S. would use military force against Iran or Syria if there was evidence that either country had sponsored acts of terrorism against Americans. We learned today -- that is apparently not the impression the Reagan Administration wanted to leave.

ABC's John McWethy reports the first attempts to clarify the President's remarks about the possibility of strikes against Syria and Iran came from Secretary Shultz this morning in a satellite news conference to Europe.

(TV coverage: Still photograph of the President.)

(Secretary Shultz: "We don't have any plans for such operations, but what the President has said is -- first, it has been shown that the U.S. will use its military power in this fight against terrorism.")

(Charles Redman, State Department spokesman: "The President's remarks yesterday were in response to a hypothetical question and they represent no change in U.S. policy. We have always reserved to ourselves the right to respond to a terrorist attack in matter we deem appropriate.")

Officials say privately that hitting either Iran or Syria is not considered a live option. On Soviet television today, Khadafy reportedly thanked Gorbachev for his pledge of solidarity. U.S. intelligence analysts say they doubt the Kremlin plans for a much closer relationship with Khadafy.

Jennings: One footnote to John McWethy's report of yesterday -- he said then that Secretary Shultz had made an assessment that Khadafy is more dangerous now than before the U.S. attack and Khadafy might seek revenge in a very personal way. Today, the State Department denied our specific report -- saying Mr. Shultz did not write any such assessment. (ABC-4)

CBS's Dan Rather: More than a week after the U.S. raid on Libya -- one Air Force F-111 jet is still unaccounted for. In recent days, Arabic newspapers have reported a Libyan claim that it recovered the F-111 wreckage and the bodies of the two U.S. crewmen killed. Tonight, correspondent David Martin reports there are now U.S. pictures that may support part of that claim -- that Libya may have pieces of the downed fighter.

CBS's David Martin reports the first pictures released believe to show wreckage -- apparently showing pieces of a wing from the one Air Force bomber lost in last week's U.S. raid on Libya.

(Libyan TV coverage: F-111 wing tip and one of its flaps.)

Some of the damage done to residential areas of Tripoli may have occurred when the fatally stricken plane released its bombs -- either accidentally or on purpose.

(Robert Sims, Pentagon spokesman: "We are willing to acknowledge the possibility that there may have been some inadvertent damage caused by U.S. forces, but we are also willing to acknowledge that there may have been some damage caused by the Libyan defenses.")

U.S.-LIBYA (continued)

Martin: (continued)

Last week's raid was designed to send a message to Khadafy, but U.S. officials say the most positive results so far have been the departure of European workers from Libya and the diplomatic sanctions ordered by the European allies.

Rather: President Reagan now has said that he would be willing to bomb Syria or Iran if he got hard evidence they carried out terrorist acts against Americans. He said that late yesterday.

(TV coverage: Still photograph of the President.)

Since then, his aides have been trying to put a softer edge of the President's remarks. Secretary Shultz said today no such attacks are planned. Shultz added the raid on Libya shows the U.S. will use military power in the fight against terrorism.

(TV coverage: Still photograph of Secretary Shultz.) (CBS-LEAD)

TERRORISM-WEST BERLIN

Brokaw reports police in West Berlin today offered a \$75,000 reward for information linking Ahmad Hasi and Hindawi to last month's terrorist bombing of the discotheque. (NBC-2)

TERRORISM-FRANCE

Brokaw reports France has beefed up its defenses along the Mediterranean coast. This coincided with the arrival there of two U.S. Sixth Fleet transport ships. (NBC-3)

DENMARK-LIBYA

Jennings reports Denmark has told some Libyans to go home. (ABC-2)

LONDON-BOMB

CBS's Doug Tunnell reports from Paris a bomb ripped through a British Airways office in one of London's main shopping districts today -- no one was injured. There is no evidence tonight linking the blast to Libya. Within hours, Western Europe's senior law men responded positively to the Reagan Administration -- they agreed to open a new channel with the U.S. to trade information on terrorists. The proposal coming from the U.S. Justice Department was put before the meeting here by the British. Especially in France, there has been a sweeping crackdown on Libyans and their friends here. Europe took today's bombing as another warning to fight back now against terrorism. (NBC-4, CBS-2)

ABC's Mike Lee reports from London a bomb exploded in a British Airways office in London. Also, Chancellor Kohl and French President Mitterand met in West Germany today and agreed with President Reagan's wish -- terrorism will be a prime topic of next week's economic summit in Tokyo. (ABC-3)

## ECONOMIC SUMMIT

Brokaw reports President Reagan tomorrow flies to Los Angeles on his way to the economic summit meeting in Asia.

John Chancellor's commentary -- They are building here in Hong Kong as though there were no tomorrow. Economic success and the promise of more of it may be the glue that will keep this part of the world from falling apart -- and that's why they're still building in Hong Kong. (NBC-10)

## AFGHANISTAN

Brokaw reports the Soviets are continuing their heaviest offensive against the Afghan rebels.

NBC's Marvin Kalb reports intelligence sources have told NBC News that the Administration is now sending secretly more than \$600 million worth of military supplies this year alone to the resistance fighters in Afghanistan. No one on Capitol Hill is objecting. The U.S. wants to make certain the Russians do not win a military victory and are forced ultimately to settle for a political compromise and withdrawal. (NBC-5)

## MICHAEL DEAVER

Jennings: President Reagan has said more than once, jokingly, that the person who draws up his schedule is the most important person in the world....

ABC's Sheila Kast: Ever since Michael Deaver said farewell to his job as deputy White House chief of staff a year ago, he has retained tremendous access -- he still has a White House pass which allows him free entry. Everyday he receives a copy of the President's detailed schedule which lists meetings even many White House staffers don't know about.

(TV coverage: The President and Deaver in the Oval Office.)

Some question whether Deaver has overstepped the bounds of ethics. The House Energy and Commerce Committee is investigating Deaver's role in this happy scene -- when President Reagan and Prime Minister Mulroney met here last month. Mulroney had gotten what he wanted -- Mr. Reagan's agreement on a plan to attack acid rain -- an approach the President had previously opposed.

(TV coverage: The President and Mulroney in the Oval Office.)

Deaver is now a lobbyist -- with Canada as one of his clients. While he was still working at the White House; Deaver met with a Mulroney aide about appointing special envoys to study acid rain. The House committee is checking whether that violated -- the bar against a government official lobbying for one year on issues in which he has had personal and substantial involvement while in office. The House committee is also examining Deaver's lobbying on behalf of Rockwell International -- for the government to buy more B-1 bombers -- he met with Budget Director James Miller. Some say

MICHAEL DEEVER (continued)

Kast: (continued)

Deaver had also dealt with that issue in the White House. Deaver would not talk today, but in the past he has insisted he's done nothing wrong.

(Deaver: "There is no question that Ronald and Nancy Reagan are dear friends of mine and have been for almost 25 years. What I'm saying is -- A, I wouldn't tread on that friendship on behalf of a client and frankly, I'm insulted that people think that's all I have to offer.")

The President seems to agree.

(President on March 9: "Mike has never put on the arm on me or sought anything or any influence from me since he has been out of the government.")

The head of the Office of Government Ethics says he may ask the Justice Department to investigate possible criminal conflict of interest violations by Deaver. ABC News has learned that Senator Joseph Biden has asked the attorney general to appoint a special prosecutor.

(ABC-5)

Rather reports the White House confirmed today that Michael Deaver still gets a daily detailed copy of President Reagan's schedule. A House subcommittee investigation now will take place and it will include a look into some of Deaver's activities regarding attempts to meet with the head of the Federal Communications Commission at a time when CBS had hired Deaver during the takeover battle with Ted Turner. Also, Deaver's lobbying on behalf of Canada on the issue of acid rain will be investigated.

(CBS-6)

OIL PRICES

Jennings reports the Congressional Budget Office issued a report today -- calling for a special tariff on imported oil -- it cited as one of the benefits reducing American dependence from overseas.

ABC's Charles Gibson reports on what happened in the 1970s -- America's conservation of oil -- can happen again.

(James Schlesinger, former energy secretary: "The policy of this country ought to be to avoid the greater dependency on foreign sources of supply. Where we are heading now is much greater dependency.")

The experts say we're heading for trouble again.

(Senator Jim McClure: "The American public is led from one crisis to another and then always thinking about the current one, not the past one or the future one.")

The President's approach is simply to put his faith in the free market place.

(President on April 9: "We still believe in the free market. I'm resistant to the idea of government trying to inject itself -- through regulation and so forth -- to bring about a change, because that never has worked.")



## OIL PRICES (continued)

Gibson: (continued)

There are plenty of calls for regulation and so forth -- an import fee, gasoline tax, research funds and tax credits. The experts say the vicious cycle probably won't be broken -- when it comes to the price of oil -- what has come down hard, could go up high.

(ABC-7)

Brokaw reports an oil import tax got the backing today of Senator Pete Domenici.

(NBC-9)

## EXXON CUTBACKS

Brokaw reports Exxon has sent letters to 40,000 U.S. employees offering incentives to resign or retire early -- it wants to achieve a huge cutback worldwide.

(NBC-8)

## WALDHEIM

Rather reports the head of the U.S. Justice Department's Nazi hunting unit now has recommended that Waldheim be barred from the U.S. -- for alleged evidence linking Waldheim to Nazi atrocities. A final decision whether to actually bar Waldheim from the U.S. is up to Attorney General Edwin Meese.

(NBC-7, ABC-LEAD, CBS-3)

## CHALLENGER

Brokaw reports we may soon learn what happened in the final moments of the Challenger; even after the explosion knocked out its electrical power. NASA has recovered a cassette and loose tape from the shuttle's crew cabin. It is believed the tape came from one of two battery-powered cassette recorders carried into space by crew members Jarvis and McAuliffe.

(NBC-13)

## CRIME

Jennings reports the FBI has reported a 4% increase in crime for the first time in four years. Crime was up everywhere in the country except the Midwest -- where it stayed about the same. The greatest increase, 8%, was in the South. A committee in the House said this week that America's borders are defenseless against a tidal wave of drugs. More drugs than ever will be smuggled across the border from Mexico this year.

(ABC-6)

## AT&T

Rather reports AT&T today announced the biggest price cut in its history -- reducing its long distance rates by \$1.5 billion on June 1 -- subject to approval by the Federal Communications Commission.

(NBC-11, ABC-8, CBS-4)

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## EDITORIALS/COLUMNISTS

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### ECONOMIC SUMMIT

The Summit In Tokyo -- Putting Economic Issues First -- "Ensuring that the world economic climate continues favorable is absolutely essential. It's a point that must not be lost sight of by the leaders of Western Europe, the United States, Canada, and Japan as they meet in Tokyo next month."  
(Christian Science Monitor, 4/24)

Outlook Better This Time -- "The Tokyo summit isn't likely to help the oil producers, either within the United States or elsewhere.... The talk in Tokyo is apt to focus on how best to manage a global trade so that no one will get hurt too badly.... The Tokyo summit will be organized around the idea of Japanese pride and power. To be sure, in an era of terrorism, the huge media corps will be away from the principals. They'll watch, along with everybody else, on television. But at least this time around, an American President won't have to worry about taking the weekend off when he gets home."

(Loveland Daily Reporter-Herald, Co., 4/15)

Japan's Responsibility -- "The U.S. currently has much to lose from Japan's traditional intransigence on trade issues.... Japan must take a leadership role in financing Third World development, providing more loans, aid and direct investment for developing economies. No matter how earnest Nakasone's intentions may be, any changes in trade strategy will be strongly opposed by many Japanese who don't favor relaxing import controls and who maintain a strong loyalty toward domestically produced products. The trade imbalance that could destabilize many economies won't improve until Japan recognizes its responsibility, and interdependency, in the international community."  
(Los Angeles Herald Examiner, 4/18)

Climbing Mt. Everest in Japan -- "Mr. Nakasone is said to have called the task of changing Japanese attitudes regarding exports and imports that are a century old similar to climbing Mt. Everest -- 'only higher.' Why not start with foothills, Mr. Nakasone? Given past history, even they will be challenging. Pick a foothill, any foothill -- semiconductors, timber products, medical instruments, telecommunications, toys, cars, oranges, to name but a few. Bring down the Japanese trade barriers. They are high, too, but they will yield if government takes a shovel to them."

(Chicago Tribune, 4/22)

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## FOREIGN MEDIA REACTION

### ECONOMIC SUMMIT

"At Luxembourg, on April 21, the 12 reaffirmed their position that a new cycle of multilateral trade negotiations must be decided on by all member countries and, consequently, that no date can be set in Tokyo. The 12 unanimously believe that Washington will not take retaliatory measures against the EEC on May 1 as threatened, but that it will at least wait for the end of the Tokyo summit." (Tribune de l'Economie, France)

"The Atlantic Alliance was hurt by the U.S. raid and we do not see how things could improve in Tokyo. President Reagan intends to talk about the antiterrorist struggle.... He feels the Alliance does not do its part when the issue is to prevent or destroy international terrorism." (Les Echos, France)

"In the face of current economic difficulties compared to those in the 1970s...it is proper for the ASEAN nations to express their concern to the participants of the Tokyo summit by way of presenting 'a Bali appeal' to President Reagan.... Notwithstanding the fact that the ASEAN concern is only a peripheral matter for the Tokyo summit.... ASEAN should not expect the Tokyo summit to give substantial attention their interests; 'the Bali appeal' will be useless unless it is followed by active involvement in other forums including the GATT." (Sinar Harapan, Indonesia)

"Bali, radiant and cordial, is preparing to welcome the visit of President Reagan. Fifteen thousand T-shirts with Soeharto-Reagan photos and inscription 'Long Live Indonesia-America Friendship' are now in circulation. Six to eight hundred journalists will come to Bali." (Pelita, Indonesia)

### TERRORISM

"American tourists are shunning Europe, mainly France. Fear of terrorism, Paris' refusal to permit the overfly of its territory and finally, the decline in the dollar, explain the catastrophic drop in reservations by U.S. citizens who had planned to spend their vacations in France...." (France-Soir, France)

"An inexplicable -- or, to say the least, surprising -- 'misunderstanding' has been added to the problem of the Western response to terrorism, whose potential effects cannot be easily assessed but which could have deep political repercussions. While Italy is officially stating that it 'advised against the military reprisal,' a high-level official of the U.S. Administration presents from Washington a completely different picture...." (Corriere della Sera, Italy)



# News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, APRIL 25, 1986 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### INTERNATIONAL NEWS

Reagan Has Talks On Tokyo Summit And Calls Aquino -- President Reagan conferred today with Congressional leaders and aides as he prepared for the longest journey of his presidency, a 22,000-mile, 13-day trip to the Far East. (Washington Post, New York Times)

Police Investigate Possible Libyan Link With London Explosion -- British anti-terrorist police are investigating whether there was any Libyan connection with a blast that wrecked a British Airways office in a building that also houses two American companies in central London.

(Washington Post, Reuter)

### NATIONAL NEWS

Senators Seek Independent Counsel To Investigate Deaver -- Five Democrats on the Senate Judiciary Committee have called on Attorney General Meese to consider appointing an independent counsel to investigate the lobbying efforts of Michael Deaver, an aide to Sen. Joseph Biden said Thursday night.

(Washington Post, Washington Times, New York Times, AP)

### NETWORK NEWS (Thursday Evening)

U.S./LIBYA -- President Reagan's remarks that he was prepared to attack Syria and Iran touched off some high level clarification in the Reagan Administration today.

ECONOMIC SUMMIT -- President Reagan tomorrow flies to Los Angeles on his way to the economic summit meeting in Asia.

DEAVER -- Ever since Michael Deaver said farewell to his job as deputy chief of staff, he has retained tremendous access.

#### THE WINDS OF FREEDOM

"As we lift off aboard Air Force One, circling half the globe, the winds of freedom will be propelling my mission."

(President Reagan, 4/23)

## INTERNATIONAL NEWS

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### REAGAN TO DEPART TODAY ON A FAR EASTERN JOURNEY

President Reagan departs today on a 22,299-mile Far Eastern trip that will be dominated by talks with allies about the intensifying threat of Libya-backed terrorism but is also expected to focus on strained relations with Europe and Japan over trade and economic issues.

White House officials have dubbed the trip a celebration of the "winds of freedom," emphasizing economic growth and the spread of democracy. But the Reagan odyssey may also highlight differences with allies over use of military force against terrorism.

(David Hoffman, Washington Post, A29)

### Reagan Has Talks On Tokyo Summit And Calls Aquino

President Reagan conferred today with Congressional leaders and aides as he prepared for the longest journey of his presidency, a 22,000-mile, 13-day trip to the Far East.

The trip, which begins Friday when Mr. Reagan flies to Los Angeles for an overnight stay, will include meetings with Southeast Asian foreign ministers in Bali, Indonesia, and with the leaders of the seven major industrial democracies in Tokyo.

(Bernard Weintraub, New York Times, A1)

### ASEAN LEADERS TO VOICE COMPLAINS TO REAGAN

NUSA DUA, Indonesia -- Exotic dancers, intense security and questions about U.S. trade and Asian policies await President Reagan when he visits this renowned tourist resort island of Bali next week before flying to the Tokyo summit meeting.

Officially billed in part as a rest stop, the visit from April 29 to May 2 seems likely to become a forum for Southeast Asia's misgivings about various U.S. policies, mainly those affecting the economies of the region's noncommunist states, diplomats said.

(William Branigin, Washington Post, A29)

### SHULTZ SAYS U.S. HAS NO PLAN TO STRIKE IRAN, SYRIA

Secretary Shultz, seeking to clarify remarks by President Reagan, said yesterday that while the U.S. has shown that it will use force to fight international terrorism, there are no plans for military retaliation against Iran or Syria if they are linked to terrorist acts.

"We don't have any plans for such operations," Shultz said in reference to statements made by Reagan Wednesday in a meeting with columnists and commentators.

(Washington Post, A34)

## EUROPEANS SET TO EXCHANGE TERROR DATA WITH U.S.

THE HAGUE -- Cabinet ministers from European Common Market countries agreed today to step up their exchange of terrorism information with the U.S. and other nonmember nations in an effort to close the net on international terrorists. (AP story, Washington Post, A35)

## JUSTICE DEPT. OFFICIAL RECOMMENDS BARRING WALDHEIM FROM U.S.

The Justice Department official responsible for investigating Nazi war crimes has recommended that Kurt Waldheim be barred from the U.S. because of charges that he was involved in World War II atrocities against Yugoslav partisans, department sources said yesterday.

The sources emphasized that the recommendation by Neal Sher is only an advisory opinion and that Attorney General Meese will have to decide whether to follow Sher's advice.

Sources said that Meese, in deference to Administration sensitivities about interfering in the May 4 election, is unlikely to take any action before then. (John Goshko, Washington Post, A1)

## BRITISH BELIEVE U.S. WAS TARGET OF BOMB

LONDON -- Police suspect a bomb that exploded outside a British Airways office in central London early this morning was intended for the American Express facility located inside, sources close to the investigation said.

There was widespread acknowledgement by British officials and U.S. diplomats that the bombing had heightened fears among the U.S. business community here and potential American tourists that London is not safe.

(Karen DeYoung, Washington Post, A1)

## Police Investigate Possible Libyan Link With London Explosion

LONDON -- British anti-terrorist police are investigating whether there was any Libyan connection with a blast that wrecked a British Airways office in a building that also houses two American companies in central London.

Junior Home Office Minister Giles Shaw told Parliament there was no evidence linking the bombing with Libyan reprisals against last week's U.S. raids on Tripoli and Benghazi. (Nassir Shirkhani, Reuter)

## ABBAS-LED TRIBUNAL TO TARGET THE WEST

Mohammed "Abu" Abbas said yesterday he was organizing a secret meeting of revolutionary groups to act against the U.S. and Israel.

In a telephone interview from an undisclosed location, Abbas told the Reuter News Agency that the revolutionary groups would try to set up an international tribunal, modeled after the Nuremburg Nazi war crimes tribunal, "to issue verdicts on the enemies of the people."

(Washington Times, A1)



### U.S. PRESSES ETHIOPIAN REGIME WITH RHETORIC, COVERT ACTION

Two years ago, Ethiopian security police abducted and tortured a CIA officer involved in a CIA covert propoganda campaign against the Marxist government in Addis Ababa, according to informed sources.

The Administration never publicly protested the incident, which U.S. intelligence officials say is one of the worst attacks by a foreign government on a CIA officer working as an accredited diplomat. But accounts of the episode have circulated in the Administration and Congress, contributing to the general deterioration of U.S. relations with Ethiopia. (Patrick Tyler & David Ottaway, Washington Post, A1)

### AQUINO GETS HER TURN ON PHONE WITH REAGAN

President Reagan telephoned President Aquino yesterday to placate Filipino pique at his decision to call former president Marcos on his way to the economic summit in Tokyo.

The White House said the President expressed "his and Mrs. Reagan's best wishes" to Mrs. Aquino and the Filipino people and offered U.S. assistance "in meeting the challenges that lie before her government." (Washington Times, A1)

### HILL URGED TO FUND RESEARCH ON EUROPEAN MISSILE DEFENSES

Congress should establish a special fund to finance research on a defense system to protect Europe against attack by medium and short range Soviet missiles both nuclear and conventionally armed, Defense Department officials testified yesterday.

(Walter Pincus, Washington Post, A9)

### BONN LEADER CRITICIZED FOR SDI PACT WITH U.S.

BONN -- Chancellor Kohl's government has come under attack from political opponents for leaving West Germany vulnerable to more severe curbs on high-technology exports to the East-bloc because of commitments undertaken with the U.S. in joining the "Star Wars" research program.

(William Drozdiak, Washington Post, A39)

### U.S. QUALIFIES PRAISE FOR END TO "PASS LAWS"

The Reagan Administration yesterday praised South Africa's decision to abolish most laws prohibiting free movement of blacks as "a major milestone on the road away from apartheid."

However, Charles Redman stressed that the white minority government's "proposals are so far ranging and complex that we must reserve judgement on their full implications for blacks." Other department officials added that there are no plans to lift the limited economic sanctions imposed by President Reagan against South Africa last fall.

(Washington Post, A40)

U.S. SUPPORT OF TAIWAN JET FIGHTER  
CITED BY PEKING AS VIOLATION OF PACT

PEKING -- China's Communist Party chief, Hu Yaobang, has warned that the U.S. could be violating a major agreement with China by supplying military technology to the rival government of Taiwan for its development of an advanced jet fighter plane.

(Daniel Southerland, Washington Post, A32)

NICARAGUAN PRESIDENT ACCUSES U.S. OF DOUBLE GAME

MANAGUA, Nicaragua -- Daniel Ortega accused the U.S. on Thursday of playing a double game in Central America, saying President Reagan was threatening Nicaragua as touring U.S. envoy Philip Habib professed support for peace.

In his remarks, made during an official nighttime ceremony, Ortega referred to a speech this week in which Reagan said Nicaragua's leftist Sandinista government was "building a Libya in the shadow of the United States."

(Reid Miller, AP)

Habib Letter Seen As Possible Key To Nicaraguan Compromise

A potential compromise between the Reagan Administration and the Sandinista leadership of Nicaragua is emerging which would end U.S. support for the Contra guerrillas in exchange for guarantees of peaceful behavior by the Sandinistas, several congressmen said Thursday.

Several lawmakers and other officials said they are encouraged that such a compromise is even being discussed, and they credited presidential envoy Philip Habib as pointing the way.

(Gregory Nokes, AP)

Opponents Of Contra Aid Misread Letter, Habib Says

Philip Habib said yesterday that some congressmen and groups that oppose U.S. aid for the Nicaraguan rebels completely misread a letter he wrote restating Administration policy on the Central American conflict.

Mr. Habib and several State Department officials said they were perplexed by the excitement the letter created in Washington, where anti-rebel congressmen and organizations breathlessly heralded the letter as a sign the Administration would stop supporting the guerrillas the moment a peace treaty is signed. (James Morrison, Washington Times, A7)

GOP In House Pushes Petition To Free Contra Aid Bill From Committee

With the ink on a handful of signatures already dry, House Republicans yesterday geared up for a petition-signing campaign that they hope will end with House approval of President Reagan's \$100 million aid package for the Nicaraguan resistance.

The petition to force the aid package out of the House Rules Committee for a vote on the floor must be signed by a majority of lawmakers. It was filed Wednesday.

(Warren Strobel, Washington Times, A2)

## NATIONAL NEWS

### ORIGINS OF DEAVER-CANADA TIE DETAILED

Michael Deaver was still working in the White House when he first talked with Canadian government officials about signing up Canada as a client for the Washington lobbying firm he planned to establish, according to a knowledgeable Canadian source.

"Yes, I know there were discussions, certainly before Deaver left the White House," the sources said. William Fox, chief spokesman for Prime Minister Mulroney, said yesterday, "That is an unsubstantiated allegation," which he described as "not true."

(David Hoffman & Herbert Denton, Washington Post, A1)

### Senators Seek Independent Counsel To Investigate Deaver

Five Democrats on the Senate Judiciary Committee have called on Attorney General Meese to consider appointing an independent counsel to investigate the lobbying efforts of Michael Deaver, an aide to Sen. Joseph Biden said Thursday night.

In a letter the senators argue that there is sufficient evidence of possible conflict of interest to warrant a probe by a special prosecutor, said Peter Smith, Biden's press secretary. (Joan Mower, AP)

### Democrats Press Meese For Inquiry On Deaver Ethics

Sen. Joseph Biden who initiated the letter to Mr. Meese, said in an interview, "There's enough evidence out there so that, on the face of it, it seems like there are some real problems."

Mr. Biden said the reasons for appointment of a special prosecutor seemed so compelling that the burden of proof was on the Justice Department to show why one should not be appointed.

Under the Ethics in Government Act, Mr. Meese must respond within 30 days and tell the senators whether he has asked a court to appoint an independent counsel or, if not, why.

(Martin Tolchin, New York Times, A1)

### Secret Service, Reagan Staff Discuss Deaver Getting Data

Secret Service and White House officials met yesterday to discuss the security implications of the fact that Michael Deaver has been receiving daily copies of the President's schedule.

"There have been ample discussions between the Secret Service and the White House staff regarding [the] article and we are confident that distribution of the President's schedule is being made with his security in mind," Secret Service spokesman Jack Taylor said. "The President's continued security needs are being met," he said.

(George Archibald, Washington Times, A3)

## REAGAN ORDERS A STUDY TO DECIDE IF U.S. SHOULD BUILD NEW MISSILE

President Reagan has ordered a study to investigate if the U.S. should develop a new mobile multiple-warhead missile that is about the size of the 78,000-pound Minuteman, Administration officials said today.

The request for the study is contained in a classified directive, signed by Mr. Reagan, that also makes a provisional call for dismantling two Poseidon submarines to adhere to the limits of the unratified second treaty on limiting strategic arms. (Michael Gordon, New York Times, A1)

## INDEPENDENT COUNSEL NAMED IN EPA DOCUMENTS CASE

A federal appeals court panel named Washington attorney James McKay as an independent counsel yesterday to examine allegations that former assistant attorney general Theodore Olson gave false testimony to Congress in 1983 about the Administration's withholding of EPA documents.

But the three judge panel, following limits set by Attorney General Meese, did not ask the independent counsel to investigate two former deputy attorney generals and others who were accused of wrongdoing in a 1,300-page report last December by the House Judiciary Committee.

(Howard Kurtz, Washington Post, A1)

## ADMINISTRATION MAY TRY TO TAKE CONTROL OF NATIONAL GUARD AWAY FROM STATES

The Reagan Administration, in a move sure to arouse controversy, is considering legislation that would circumscribe the authority of state governors over their National Guard units.

The move is described as a direct response to the decision by a handful of governors to deny permission to their guardsmen to train in Central America. (Norman Black, AP)

## "WORST-CASE" ENVIRONMENTAL RULE SCRAPPED

The White House Council on Environmental Quality has decided to abolish a rule that requires federal agencies to consider the worst environmental consequences of their actions, contending that the regulation is "unproductive and ineffective."

The decision, to be announced today, caps a three-year Reagan Administration effort to limit the reach of the National Environmental Policy Act. According to the council, the amended regulations will improve the quality of environmental impact statements by establishing a "more careful and professional approach...in the face of incomplete or unavailable information."

(Cass Peterson, Washington Post, A3)

PENTAGON HAS FOUND USES FOR  
\$2.2 BILLION IN "SAVINGS"

The Defense Department has already committed \$1.7 billion of the \$2.2 billion in "savings" found in its fiscal 1986 budget and is seeking congressional approval to redistribute the remaining amount among weapons, research and other accounts, Pentagon Comptroller Robert Helm said yesterday. (George Wilson, Washington Post, A7)

MAJOR CRIME UP 4 PERCENT IN 1985

After a three-year decline, major crimes reported to police rose 4 percent in 1985 compared to the previous year, the FBI reported Thursday. (AP story, Washington Post, A8)

PACKWOOD WOULD ELIMINATE ITEMIZED DEDUCTIONS

Bob Packwood, in an effort to jolt life into the tax overhaul effort, yesterday proposed to his panel a modified flat-rate tax system that would end all individual income at either 15 percent or 25 percent. (Anne Swardson, Washington Post, A13)

-end-of-A-Section-

## NETWORK NEWS SUMMARY

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(Thursday Evening, April 24, 1986)

### U.S.-LIBYA

NBC's Tom Brokaw: President Reagan's remarks that he was prepared to attack Syria and Iran -- if he had proof they supported terrorism -- touched off some high-level clarification in the Reagan Administration today. As correspondent Chris Wallace reports now -- the clarifications raise still more questions about the Administration's policy.

NBC's Chris Wallace: The President wasn't talking about Syria and Iran today, but other officials were -- trying to soften his threat yesterday to widen the war against terrorism. Secretary Shultz emphasized the U.S. is not about to attack either country.

(Secretary Shultz: "We don't have any plans for such operations.")

At the State Department, there was even more of a retreat.

(Charles Redman, State Department spokesman: "The President's remarks yesterday were in response to a hypothetical question and they represent no change in U.S. policy.")

What Mr. Reagan said was that he would use force against Iran or Syria, if either were directly linked to terrorism -- the link is certainly there. The Administration said Khomeini and Assad have supported groups responsible for bombing the Marine barracks in Beirut, last summer's TWA hijacking and the December massacre at the Rome and Vienna airports.

(Robert Hunter, Middle East expert: "I would put Khadafy no better than third. I would put Syria clearly number one in perpetrating terrorism; and at the moment, probably Iran number two.")

Officials say the U.S. is not about to go after Khomeini or Assad. First, they say there is no smoking gun linking them to specific acts. The U.S. would risk more by attacking Iran or Syria.

(Joseph Sisco, former undersecretary of state: "Khadafy is isolated in the region, isolated in the world and frankly, he is a thousand miles away from what is considered to be the front line in the Middle East.")

Part of the problem is the Soviets -- who have close military ties to Syria and share a border with Iran -- and would be directly challenged by a U.S. attack. In addition, the Administration respects Assad's role in the Middle East peace process and fears Khomeini's ability to unleash Moslem fanatics.

(Hunter: "We have diplomatic objectives both with Syria and with Iran -- things that we want to accomplish with them. With regard to Khadafy and Libya -- we would just assume do what we did -- we have nothing else we want from that country.")

Reagan aides say if there ever is a smoking gun, the President retains his military option. They emphasize how unlikely that is. One top official saying, there is no reason for lights out in Tehran and Damascus.

(NBC-LEAD)



U.S.-LIBYA (continued)

ABC's Peter Jennings: President Reagan caused quite a stir last night when he appeared to say the U.S. would use military force against Iran or Syria if there was evidence that either country had sponsored acts of terrorism against Americans. We learned today -- that is apparently not the impression the Reagan Administration wanted to leave.

ABC's John McWethy reports the first attempts to clarify the President's remarks about the possibility of strikes against Syria and Iran came from Secretary Shultz this morning in a satellite news conference to Europe.

(TV coverage: Still photograph of the President.)

(Secretary Shultz: "We don't have any plans for such operations, but what the President has said is -- first, it has been shown that the U.S. will use its military power in this fight against terrorism.")

(Charles Redman, State Department spokesman: "The President's remarks yesterday were in response to a hypothetical question and they represent no change in U.S. policy. We have always reserved to ourselves the right to respond to a terrorist attack in matter we deem appropriate.")

Officials say privately that hitting either Iran or Syria is not considered a live option. On Soviet television today, Khadafy reportedly thanked Gorbachev for his pledge of solidarity. U.S. intelligence analysts say they doubt the Kremlin plans for a much closer relationship with Khadafy.

Jennings: One footnote to John McWethy's report of yesterday -- he said then that Secretary Shultz had made an assessment that Khadafy is more dangerous now than before the U.S. attack and Khadafy might seek revenge in a very personal way. Today, the State Department denied our specific report -- saying Mr. Shultz did not write any such assessment. (ABC-4)

CBS's Dan Rather: More than a week after the U.S. raid on Libya -- one Air Force F-111 jet is still unaccounted for. In recent days, Arabic newspapers have reported a Libyan claim that it recovered the F-111 wreckage and the bodies of the two U.S. crewmen killed. Tonight, correspondent David Martin reports there are now U.S. pictures that may support part of that claim -- that Libya may have pieces of the downed fighter.

CBS's David Martin reports the first pictures released believe to show wreckage -- apparently showing pieces of a wing from the one Air Force bomber lost in last week's U.S. raid on Libya.

(Libyan TV coverage: F-111 wing tip and one of its flaps.)

Some of the damage done to residential areas of Tripoli may have occurred when the fatally stricken plane released its bombs -- either accidentally or on purpose.

(Robert Sims, Pentagon spokesman: "We are willing to acknowledge the possibility that there may have been some inadvertent damage caused by U.S. forces, but we are also willing to acknowledge that there may have been some damage caused by the Libyan defenses.")

U.S.-LIBYA (continued)

Martin: (continued)

Last week's raid was designed to send a message to Khadafy, but U.S. officials say the most positive results so far have been the departure of European workers from Libya and the diplomatic sanctions ordered by the European allies.

Rather: President Reagan now has said that he would be willing to bomb Syria or Iran if he got hard evidence they carried out terrorist acts against Americans. He said that late yesterday.

(TV coverage: Still photograph of the President.)

Since then, his aides have been trying to put a softer edge of the President's remarks. Secretary Shultz said today no such attacks are planned. Shultz added the raid on Libya shows the U.S. will use military power in the fight against terrorism.

(TV coverage: Still photograph of Secretary Shultz.) (CBS-LEAD)

TERRORISM-WEST BERLIN

Brokaw reports police in West Berlin today offered a \$75,000 reward for information linking Ahmad Hasi and Hindawi to last month's terrorist bombing of the discotheque. (NBC-2)

TERRORISM-FRANCE

Brokaw reports France has beefed up its defenses along the Mediterranean coast. This coincided with the arrival there of two U.S. Sixth Fleet transport ships. (NBC-3)

DENMARK-LIBYA

Jennings reports Denmark has told some Libyans to go home. (ABC-2)

LONDON-BOMB

CBS's Doug Tunnell reports from Paris a bomb ripped through a British Airways office in one of London's main shopping districts today -- no one was injured. There is no evidence tonight linking the blast to Libya. Within hours, Western Europe's senior law men responded positively to the Reagan Administration -- they agreed to open a new channel with the U.S. to trade information on terrorists. The proposal coming from the U.S. Justice Department was put before the meeting here by the British. Especially in France, there has been a sweeping crackdown on Libyans and their friends here. Europe took today's bombing as another warning to fight back now against terrorism. (NBC-4, CBS-2)

ABC's Mike Lee reports from London a bomb exploded in a British Airways office in London. Also, Chancellor Kohl and French President Mitterand met in West Germany today and agreed with President Reagan's wish -- terrorism will be a prime topic of next week's economic summit in Tokyo. (ABC-3)

## ECONOMIC SUMMIT

Brokaw reports President Reagan tomorrow flies to Los Angeles on his way to the economic summit meeting in Asia.

John Chancellor's commentary -- They are building here in Hong Kong as though there were no tomorrow. Economic success and the promise of more of it may be the glue that will keep this part of the world from falling apart -- and that's why they're still building in Hong Kong. (NBC-10)

## AFGHANISTAN

Brokaw reports the Soviets are continuing their heaviest offensive against the Afghan rebels.

NBC's Marvin Kalb reports intelligence sources have told NBC News that the Administration is now sending secretly more than \$600 million worth of military supplies this year alone to the resistance fighters in Afghanistan. No one on Capitol Hill is objecting. The U.S. wants to make certain the Russians do not win a military victory and are forced ultimately to settle for a political compromise and withdrawal. (NBC-5)

## MICHAEL DEAVER

Jennings: President Reagan has said more than once, jokingly, that the person who draws up his schedule is the most important person in the world....

ABC's Sheilah Kast: Ever since Michael Deaver said farewell to his job as deputy White House chief of staff a year ago, he has retained tremendous access -- he still has a White House pass which allows him free entry. Everyday he receives a copy of the President's detailed schedule which lists meetings even many White House staffers don't know about.

(TV coverage: The President and Deaver in the Oval Office.)

Some question whether Deaver has overstepped the bounds of ethics. The House Energy and Commerce Committee is investigating Deaver's role in this happy scene -- when President Reagan and Prime Minister Mulroney met here last month. Mulroney had gotten what he wanted -- Mr. Reagan's agreement on a plan to attack acid rain -- an approach the President had previously opposed.

(TV coverage: The President and Mulroney in the Oval Office.)

Deaver is now a lobbyist -- with Canada as one of his clients. While he was still working at the White House; Deaver met with a Mulroney aide about appointing special envoys to study acid rain. The House committee is checking whether that violated -- the bar against a government official lobbying for one year on issues in which he has had personal and substantial involvement while in office. The House committee is also examining Deaver's lobbying on behalf of Rockwell International -- for the government to buy more B-1 bombers -- he met with Budget Director James Miller. Some say

MICHAEL DEAVER (continued)

Kast: (continued)

Deaver had also dealt with that issue in the White House. Deaver would not talk today, but in the past he has insisted he's done nothing wrong.

(Deaver: "There is no question that Ronald and Nancy Reagan are dear friends of mine and have been for almost 25 years. What I'm saying is -- A, I wouldn't tread on that friendship on behalf of a client and frankly, I'm insulted that people think that's all I have to offer.")

The President seems to agree.

(President on March 9: "Mike has never put on the arm on me or sought anything or any influence from me since he has been out of the government.")

The head of the Office of Government Ethics says he may ask the Justice Department to investigate possible criminal conflict of interest violations by Deaver. ABC News has learned that Senator Joseph Biden has asked the attorney general to appoint a special prosecutor.

(ABC-5)

Rather reports the White House confirmed today that Michael Deaver still gets a daily detailed copy of President Reagan's schedule. A House subcommittee investigation now will take place and it will include a look into some of Deaver's activities regarding attempts to meet with the head of the Federal Communications Commission at a time when CBS had hired Deaver during the takeover battle with Ted Turner. Also, Deaver's lobbying on behalf of Canada on the issue of acid rain will be investigated.

(CBS-6)

OIL PRICES

Jennings reports the Congressional Budget Office issued a report today -- calling for a special tariff on imported oil -- it cited as one of the benefits reducing American dependence from overseas.

ABC's Charles Gibson reports on what happened in the 1970s -- America's conservation of oil -- can happen again.

(James Schlesinger, former energy secretary: "The policy of this country ought to be to avoid the greater dependency on foreign sources of supply. Where we are heading now is much greater dependency.")

The experts say we're heading for trouble again.

(Senator Jim McClure: "The American public is led from one crisis to another and then always thinking about the current one, not the past one or the future one.")

The President's approach is simply to put his faith in the free market place.

(President on April 9: "We still believe in the free market. I'm resistant to the idea of government trying to inject itself -- through regulation and so forth -- to bring about a change, because that never has worked.")

OIL PRICES (continued)

Gibson: (continued)

There are plenty of calls for regulation and so forth -- an import fee, gasoline tax, research funds and tax credits. The experts say the vicious cycle probably won't be broken -- when it comes to the price of oil -- what has come down hard, could go up high.

(ABC-7)

Brokaw reports an oil import tax got the backing today of Senator Pete Domenici. (NBC-9)

EXXON CUTBACKS

Brokaw reports Exxon has sent letters to 40,000 U.S. employees offering incentives to resign or retire early -- it wants to achieve a huge cutback worldwide. (NBC-8)

WALDHEIM

Rather reports the head of the U.S. Justice Department's Nazi hunting unit now has recommended that Waldheim be barred from the U.S. -- for alleged evidence linking Waldheim to Nazi atrocities. A final decision whether to actually bar Waldheim from the U.S. is up to Attorney General Edwin Meese. (NBC-7, ABC-LEAD, CBS-3)

CHALLENGER

Brokaw reports we may soon learn what happened in the final moments of the Challenger; even after the explosion knocked out its electrical power. NASA has recovered a cassette and loose tape from the shuttle's crew cabin. It is believed the tape came from one of two battery-powered cassette recorders carried into space by crew members Jarvis and McAuliffe. (NBC-13)

CRIME

Jennings reports the FBI has reported a 4% increase in crime for the first time in four years. Crime was up everywhere in the country except the Midwest -- where it stayed about the same. The greatest increase, 8%, was in the South. A committee in the House said this week that America's borders are defenseless against a tidal wave of drugs. More drugs than ever will be smuggled across the border from Mexico this year. (ABC-6)

AT&T

Rather reports AT&T today announced the biggest price cut in its history -- reducing its long distance rates by \$1.5 billion on June 1 -- subject to approval by the Federal Communications Commission. (NBC-11, ABC-8, CBS-4)

## EDITORIALS/COLUMNISTS

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### ECONOMIC SUMMIT

The Summit In Tokyo -- Putting Economic Issues First -- "Ensuring that the world economic climate continues favorable is absolutely essential. It's a point that must not be lost sight of by the leaders of Western Europe, the United States, Canada, and Japan as they meet in Tokyo next month."  
(Christian Science Monitor, 4/24)

Outlook Better This Time -- "The Tokyo summit isn't likely to help the oil producers, either within the United States or elsewhere.... The talk in Tokyo is apt to focus on how best to manage a global trade so that no one will get hurt too badly.... The Tokyo summit will be organized around the idea of Japanese pride and power. To be sure, in an era of terrorism, the huge media corps will be away from the principals. They'll watch, along with everybody else, on television. But at least this time around, an American President won't have to worry about taking the weekend off when he gets home."

(Loveland Daily Reporter-Herald, Co., 4/15)

Japan's Responsibility -- "The U.S. currently has much to lose from Japan's traditional intransigence on trade issues.... Japan must take a leadership role in financing Third World development, providing more loans, aid and direct investment for developing economies. No matter how earnest Nakasone's intentions may be, any changes in trade strategy will be strongly opposed by many Japanese who don't favor relaxing import controls and who maintain a strong loyalty toward domestically produced products. The trade imbalance that could destabilize many economies won't improve until Japan recognizes its responsibility, and interdependency, in the international community."  
(Los Angeles Herald Examiner, 4/18)

Climbing Mt. Everest in Japan -- "Mr. Nakasone is said to have called the task of changing Japanese attitudes regarding exports and imports that are a century old similar to climbing Mt. Everest -- 'only higher.' Why not start with foothills, Mr. Nakasone? Given past history, even they will be challenging. Pick a foothill, any foothill -- semiconductors, timber products, medical instruments, telecommunications, toys, cars, oranges, to name but a few. Bring down the Japanese trade barriers. They are high, too, but they will yield if government takes a shovel to them."

(Chicago Tribune, 4/22)

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## FOREIGN MEDIA REACTION

### ECONOMIC SUMMIT

"At Luxembourg, on April 21, the 12 reaffirmed their position that a new cycle of multilateral trade negotiations must be decided on by all member countries and, consequently, that no date can be set in Tokyo. The 12 unanimously believe that Washington will not take retaliatory measures against the EEC on May 1 as threatened, but that it will at least wait for the end of the Tokyo summit." (Tribune de l'Economie, France)

"The Atlantic Alliance was hurt by the U.S. raid and we do not see how things could improve in Tokyo. President Reagan intends to talk about the antiterrorist struggle.... He feels the Alliance does not do its part when the issue is to prevent or destroy international terrorism." (Les Echos, France)

"In the face of current economic difficulties compared to those in the 1970s...it is proper for the ASEAN nations to express their concern to the participants of the Tokyo summit by way of presenting 'a Bali appeal' to President Reagan.... Notwithstanding the fact that the ASEAN concern is only a peripheral matter for the Tokyo summit.... ASEAN should not expect the Tokyo summit to give substantial attention their interests; 'the Bali appeal' will be useless unless it is followed by active involvement in other forums including the GATT." (Sinar Harapan, Indonesia)

"Bali, radiant and cordial, is preparing to welcome the visit of President Reagan. Fifteen thousand T-shirts with Soeharto-Reagan photos and inscription 'Long Live Indonesia-America Friendship' are now in circulation. Six to eight hundred journalists will come to Bali." (Pelita, Indonesia)

### TERRORISM

"American tourists are shunning Europe, mainly France. Fear of terrorism, Paris' refusal to permit the overfly of its territory and finally, the decline in the dollar, explain the catastrophic drop in reservations by U.S. citizens who had planned to spend their vacations in France...." (France-Soir, France)

"An inexplicable -- or, to say the least, surprising -- 'misunderstanding' has been added to the problem of the Western response to terrorism, whose potential effects cannot be easily assessed but which could have deep political repercussions. While Italy is officially stating that it 'advised against the military reprisal,' a high-level official of the U.S. Administration presents from Washington a completely different picture...." (Corriere della Sera, Italy)



# News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, APRIL 25, 1986 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### INTERNATIONAL NEWS

Reagan Has Talks On Tokyo Summit And Calls Aquino -- President Reagan conferred today with Congressional leaders and aides as he prepared for the longest journey of his presidency, a 22,000-mile, 13-day trip to the Far East.  
(Washington Post, New York Times)

Police Investigate Possible Libyan Link With London Explosion -- British anti-terrorist police are investigating whether there was any Libyan connection with a blast that wrecked a British Airways office in a building that also houses two American companies in central London.

(Washington Post, Reuter)

### NATIONAL NEWS

Senators Seek Independent Counsel To Investigate Deaver -- Five Democrats on the Senate Judiciary Committee have called on Attorney General Meese to consider appointing an independent counsel to investigate the lobbying efforts of Michael Deaver, an aide to Sen. Joseph Biden said Thursday night.

(Washington Post, Washington Times, New York Times, AP)

### NETWORK NEWS (Thursday Evening)

U.S./LIBYA -- President Reagan's remarks that he was prepared to attack Syria and Iran touched off some high level clarification in the Reagan Administration today.

ECONOMIC SUMMIT -- President Reagan tomorrow flies to Los Angeles on his way to the economic summit meeting in Asia.

DEAVER -- Ever since Michael Deaver said farewell to his job as deputy chief of staff, he has retained tremendous access.

#### THE WINDS OF FREEDOM

"As we lift off aboard Air Force One, circling half the globe, the winds of freedom will be propelling my mission."

(President Reagan, 4/23)

## INTERNATIONAL NEWS

### REAGAN TO DEPART TODAY ON A FAR EASTERN JOURNEY

President Reagan departs today on a 22,299-mile Far Eastern trip that will be dominated by talks with allies about the intensifying threat of Libya-backed terrorism but is also expected to focus on strained relations with Europe and Japan over trade and economic issues.

White House officials have dubbed the trip a celebration of the "winds of freedom," emphasizing economic growth and the spread of democracy. But the Reagan odyssey may also highlight differences with allies over use of military force against terrorism.

(David Hoffman, Washington Post, A29)

### Reagan Has Talks On Tokyo Summit And Calls Aquino

President Reagan conferred today with Congressional leaders and aides as he prepared for the longest journey of his presidency, a 22,000-mile, 13-day trip to the Far East.

The trip, which begins Friday when Mr. Reagan flies to Los Angeles for an overnight stay, will include meetings with Southeast Asian foreign ministers in Bali, Indonesia, and with the leaders of the seven major industrial democracies in Tokyo.

(Bernard Weintraub, New York Times, A1)

### ASEAN LEADERS TO VOICE COMPLAINS TO REAGAN

NUSA DUA, Indonesia -- Exotic dancers, intense security and questions about U.S. trade and Asian policies await President Reagan when he visits this renowned tourist resort island of Bali next week before flying to the Tokyo summit meeting.

Officially billed in part as a rest stop, the visit from April 29 to May 2 seems likely to become a forum for Southeast Asia's misgivings about various U.S. policies, mainly those affecting the economies of the region's noncommunist states, diplomats said.

(William Branigin, Washington Post, A29)

### SHULTZ SAYS U.S. HAS NO PLAN TO STRIKE IRAN, SYRIA

Secretary Shultz, seeking to clarify remarks by President Reagan, said yesterday that while the U.S. has shown that it will use force to fight international terrorism, there are no plans for military retaliation against Iran or Syria if they are linked to terrorist acts.

"We don't have any plans for such operations," Shultz said in reference to statements made by Reagan Wednesday in a meeting with columnists and commentators.

(Washington Post, A34)

## EUROPEANS SET TO EXCHANGE TERROR DATA WITH U.S.

THE HAGUE -- Cabinet ministers from European Common Market countries agreed today to step up their exchange of terrorism information with the U.S. and other nonmember nations in an effort to close the net on international terrorists. (AP story, Washington Post, A35)

## JUSTICE DEPT. OFFICIAL RECOMMENDS BARRING WALDHEIM FROM U.S.

The Justice Department official responsible for investigating Nazi war crimes has recommended that Kurt Waldheim be barred from the U.S. because of charges that he was involved in World War II atrocities against Yugoslav partisans, department sources said yesterday.

The sources emphasized that the recommendation by Neal Sher is only an advisory opinion and that Attorney General Meese will have to decide whether to follow Sher's advice.

Sources said that Meese, in deference to Administration sensitivities about interfering in the May 4 election, is unlikely to take any action before then. (John Goshko, Washington Post, A1)

## BRITISH BELIEVE U.S. WAS TARGET OF BOMB

LONDON -- Police suspect a bomb that exploded outside a British Airways office in central London early this morning was intended for the American Express facility located inside, sources close to the investigation said.

There was widespread acknowledgement by British officials and U.S. diplomats that the bombing had heightened fears among the U.S. business community here and potential American tourists that London is not safe.

(Karen DeYoung, Washington Post, A1)

## Police Investigate Possible Libyan Link With London Explosion

LONDON -- British anti-terrorist police are investigating whether there was any Libyan connection with a blast that wrecked a British Airways office in a building that also houses two American companies in central London.

Junior Home Office Minister Giles Shaw told Parliament there was no evidence linking the bombing with Libyan reprisals against last week's U.S. raids on Tripoli and Benghazi. (Nassir Shirkhani, Reuter)

## ABBAS-LED TRIBUNAL TO TARGET THE WEST

Mohammed "Abu" Abbas said yesterday he was organizing a secret meeting of revolutionary groups to act against the U.S. and Israel.

In a telephone interview from an undisclosed location, Abbas told the Reuter News Agency that the revolutionary groups would try to set up an international tribunal, modeled after the Nuremberg Nazi war crimes tribunal, "to issue verdicts on the enemies of the people."

(Washington Times, A1)

### U.S. PRESSES ETHIOPIAN REGIME WITH RHETORIC, COVERT ACTION

Two years ago, Ethiopian security police abducted and tortured a CIA officer involved in a CIA covert propaganda campaign against the Marxist government in Addis Ababa, according to informed sources.

The Administration never publicly protested the incident, which U.S. intelligence officials say is one of the worst attacks by a foreign government on a CIA officer working as an accredited diplomat. But accounts of the episode have circulated in the Administration and Congress, contributing to the general deterioration of U.S. relations with Ethiopia. (Patrick Tyler & David Ottaway, Washington Post, A1)

### AQUINO GETS HER TURN ON PHONE WITH REAGAN

President Reagan telephoned President Aquino yesterday to placate Filipino pique at his decision to call former president Marcos on his way to the economic summit in Tokyo.

The White House said the President expressed "his and Mrs. Reagan's best wishes" to Mrs. Aquino and the Filipino people and offered U.S. assistance "in meeting the challenges that lie before her government." (Washington Times, A1)

### HILL URGED TO FUND RESEARCH ON EUROPEAN MISSILE DEFENSES

Congress should establish a special fund to finance research on a defense system to protect Europe against attack by medium and short range Soviet missiles both nuclear and conventionally armed, Defense Department officials testified yesterday.

(Walter Pincus, Washington Post, A9)

### BONN LEADER CRITICIZED FOR SDI PACT WITH U.S.

BONN -- Chancellor Kohl's government has come under attack from political opponents for leaving West Germany vulnerable to more severe curbs on high-technology exports to the East-bloc because of commitments undertaken with the U.S. in joining the "Star Wars" research program.

(William Drozdiak, Washington Post, A39)

### U.S. QUALIFIES PRAISE FOR END TO "PASS LAWS"

The Reagan Administration yesterday praised South Africa's decision to abolish most laws prohibiting free movement of blacks as "a major milestone on the road away from apartheid."

However, Charles Redman stressed that the white minority government's "proposals are so far ranging and complex that we must reserve judgement on their full implications for blacks." Other department officials added that there are no plans to lift the limited economic sanctions imposed by President Reagan against South Africa last fall.

(Washington Post, A40)



U.S. SUPPORT OF TAIWAN JET FIGHTER  
CITED BY PEKING AS VIOLATION OF PACT

PEKING -- China's Communist Party chief, Hu Yaobang, has warned that the U.S. could be violating a major agreement with China by supplying military technology to the rival government of Taiwan for its development of an advanced jet fighter plane.

(Daniel Southerland, Washington Post, A32)

NICARAGUAN PRESIDENT ACCUSES U.S. OF DOUBLE GAME

MANAGUA, Nicaragua -- Daniel Ortega accused the U.S. on Thursday of playing a double game in Central America, saying President Reagan was threatening Nicaragua as touring U.S. envoy Philip Habib professed support for peace.

In his remarks, made during an official nighttime ceremony, Ortega referred to a speech this week in which Reagan said Nicaragua's leftist Sandinista government was "building a Libya in the shadow of the United States."

(Reid Miller, AP)

Habib Letter Seen As Possible Key To Nicaraguan Compromise

A potential compromise between the Reagan Administration and the Sandinista leadership of Nicaragua is emerging which would end U.S. support for the Contra guerrillas in exchange for guarantees of peaceful behavior by the Sandinistas, several congressmen said Thursday.

Several lawmakers and other officials said they are encouraged that such a compromise is even being discussed, and they credited presidential envoy Philip Habib as pointing the way.

(Gregory Nokes, AP)

Opponents Of Contra Aid Misread Letter, Habib Says

Philip Habib said yesterday that some congressmen and groups that oppose U.S. aid for the Nicaraguan rebels completely misread a letter he wrote restating Administration policy on the Central American conflict.

Mr. Habib and several State Department officials said they were perplexed by the excitement the letter created in Washington, where anti-rebel congressmen and organizations breathlessly heralded the letter as a sign the Administration would stop supporting the guerrillas the moment a peace treaty is signed. (James Morrison, Washington Times, A7)

GOP In House Pushes Petition To Free Contra Aid Bill From Committee

With the ink on a handful of signatures already dry, House Republicans yesterday geared up for a petition-signing campaign that they hope will end with House approval of President Reagan's \$100 million aid package for the Nicaraguan resistance.

The petition to force the aid package out of the House Rules Committee for a vote on the floor must be signed by a majority of lawmakers. It was filed Wednesday.

(Warren Strobel, Washington Times, A2)

## **NATIONAL NEWS**

### **ORIGINS OF DEAVER-CANADA TIE DETAILED**

Michael Deaver was still working in the White House when he first talked with Canadian government officials about signing up Canada as a client for the Washington lobbying firm he planned to establish, according to a knowledgeable Canadian source.

"Yes, I know there were discussions, certainly before Deaver left the White House," the sources said. William Fox, chief spokesman for Prime Minister Mulroney, said yesterday, "That is an unsubstantiated allegation," which he described as "not true."

(David Hoffman & Herbert Denton, Washington Post, A1)

### **Senators Seek Independent Counsel To Investigate Deaver**

Five Democrats on the Senate Judiciary Committee have called on Attorney General Meese to consider appointing an independent counsel to investigate the lobbying efforts of Michael Deaver, an aide to Sen. Joseph Biden said Thursday night.

In a letter the senators argue that there is sufficient evidence of possible conflict of interest to warrant a probe by a special prosecutor, said Peter Smith, Biden's press secretary. (Joan Mower, AP)

### **Democrats Press Meese For Inquiry On Deaver Ethics**

Sen. Joseph Biden who initiated the letter to Mr. Meese, said in an interview, "There's enough evidence out there so that, on the face of it, it seems like there are some real problems."

Mr. Biden said the reasons for appointment of a special prosecutor seemed so compelling that the burden of proof was on the Justice Department to show why one should not be appointed.

Under the Ethics in Government Act, Mr. Meese must respond within 30 days and tell the senators whether he has asked a court to appoint an independent counsel or, if not, why.

(Martin Tolchin, New York Times, A1)

### **Secret Service, Reagan Staff Discuss Deaver Getting Data**

Secret Service and White House officials met yesterday to discuss the security implications of the fact that Michael Deaver has been receiving daily copies of the President's schedule.

"There have been ample discussions between the Secret Service and the White House staff regarding [the] article and we are confident that distribution of the President's schedule is being made with his security in mind," Secret Service spokesman Jack Taylor said. "The President's continued security needs are being met," he said.

(George Archibald, Washington Times, A3)



## REAGAN ORDERS A STUDY TO DECIDE IF U.S. SHOULD BUILD NEW MISSILE

President Reagan has ordered a study to investigate if the U.S. should develop a new mobile multiple-warhead missile that is about the size of the 78,000-pound Minuteman, Administration officials said today.

The request for the study is contained in a classified directive, signed by Mr. Reagan, that also makes a provisional call for dismantling two Poseidon submarines to adhere to the limits of the unratified second treaty on limiting strategic arms. (Michael Gordon, New York Times, A1)

## INDEPENDENT COUNSEL NAMED IN EPA DOCUMENTS CASE

A federal appeals court panel named Washington attorney James McKay as an independent counsel yesterday to examine allegations that former assistant attorney general Theodore Olson gave false testimony to Congress in 1983 about the Administration's withholding of EPA documents.

But the three judge panel, following limits set by Attorney General Meese, did not ask the independent counsel to investigate two former deputy attorney generals and others who were accused of wrongdoing in a 1,300-page report last December by the House Judiciary Committee.

(Howard Kurtz, Washington Post, A1)

## ADMINISTRATION MAY TRY TO TAKE CONTROL OF NATIONAL GUARD AWAY FROM STATES

The Reagan Administration, in a move sure to arouse controversy, is considering legislation that would circumscribe the authority of state governors over their National Guard units.

The move is described as a direct response to the decision by a handful of governors to deny permission to their guardsmen to train in Central America.

(Norman Black, AP)

## "WORST-CASE" ENVIRONMENTAL RULE SCRAPPED

The White House Council on Environmental Quality has decided to abolish a rule that requires federal agencies to consider the worst environmental consequences of their actions, contending that the regulation is "unproductive and ineffective."

The decision, to be announced today, caps a three-year Reagan Administration effort to limit the reach of the National Environmental Policy Act. According to the council, the amended regulations will improve the quality of environmental impact statements by establishing a "more careful and professional approach...in the face of incomplete or unavailable information."

(Cass Peterson, Washington Post, A3)

PENTAGON HAS FOUND USES FOR  
\$2.2 BILLION IN "SAVINGS"

The Defense Department has already committed \$1.7 billion of the \$2.2 billion in "savings" found in its fiscal 1986 budget and is seeking congressional approval to redistribute the remaining amount among weapons, research and other accounts, Pentagon Comptroller Robert Helm said yesterday.

(George Wilson, Washington Post, A7)

MAJOR CRIME UP 4 PERCENT IN 1985

After a three-year decline, major crimes reported to police rose 4 percent in 1985 compared to the previous year, the FBI reported Thursday.

(AP story, Washington Post, A8)

PACKWOOD WOULD ELIMINATE ITEMIZED DEDUCTIONS

Bob Packwood, in an effort to jolt life into the tax overhaul effort, yesterday proposed to his panel a modified flat-rate tax system that would end all individual income at either 15 percent or 25 percent.

(Anne Swardson, Washington Post, A13)

-end-of-A-Section-

## **NETWORK NEWS SUMMARY**

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(Thursday Evening, April 24, 1986)

### **U.S.-LIBYA**

NBC's Tom Brokaw: President Reagan's remarks that he was prepared to attack Syria and Iran -- if he had proof they supported terrorism -- touched off some high-level clarification in the Reagan Administration today. As correspondent Chris Wallace reports now -- the clarifications raise still more questions about the Administration's policy.

NBC's Chris Wallace: The President wasn't talking about Syria and Iran today, but other officials were -- trying to soften his threat yesterday to widen the war against terrorism. Secretary Shultz emphasized the U.S. is not about to attack either country.

(Secretary Shultz: "We don't have any plans for such operations.")

At the State Department, there was even more of a retreat.

(Charles Redman, State Department spokesman: "The President's remarks yesterday were in response to a hypothetical question and they represent no change in U.S. policy.")

What Mr. Reagan said was that he would use force against Iran or Syria, if either were directly linked to terrorism -- the link is certainly there. The Administration said Khomeini and Assad have supported groups responsible for bombing the Marine barracks in Beirut, last summer's TWA hijacking and the December massacre at the Rome and Vienna airports.

(Robert Hunter, Middle East expert: "I would put Khadafy no better than third. I would put Syria clearly number one in perpetrating terrorism; and at the moment, probably Iran number two.")

Officials say the U.S. is not about to go after Khomeini or Assad. First, they say there is no smoking gun linking them to specific acts. The U.S. would risk more by attacking Iran or Syria.

(Joseph Sisco, former undersecretary of state: "Khadafy is isolated in the region, isolated in the world and frankly, he is a thousand miles away from what is considered to be the front line in the Middle East.")

Part of the problem is the Soviets -- who have close military ties to Syria and share a border with Iran -- and would be directly challenged by a U.S. attack. In addition, the Administration respects Assad's role in the Middle East peace process and fears Khomeini's ability to unleash Moslem fanatics.

(Hunter: "We have diplomatic objectives both with Syria and with Iran -- things that we want to accomplish with them. With regard to Khadafy and Libya -- we would just assume do what we did -- we have nothing else we want from that country.")

Reagan aides say if there ever is a smoking gun, the President retains his military option. They emphasize how unlikely that is. One top official saying, there is no reason for lights out in Tehran and Damascus. (NBC-LEAD)

U.S.-LIBYA (continued)

ABC's Peter Jennings: President Reagan caused quite a stir last night when he appeared to say the U.S. would use military force against Iran or Syria if there was evidence that either country had sponsored acts of terrorism against Americans. We learned today -- that is apparently not the impression the Reagan Administration wanted to leave.

ABC's John McWethy reports the first attempts to clarify the President's remarks about the possibility of strikes against Syria and Iran came from Secretary Shultz this morning in a satellite news conference to Europe.

(TV coverage: Still photograph of the President.)

(Secretary Shultz: "We don't have any plans for such operations, but what the President has said is -- first, it has been shown that the U.S. will use its military power in this fight against terrorism.")

(Charles Redman, State Department spokesman: "The President's remarks yesterday were in response to a hypothetical question and they represent no change in U.S. policy. We have always reserved to ourselves the right to respond to a terrorist attack in matter we deem appropriate.")

Officials say privately that hitting either Iran or Syria is not considered a live option. On Soviet television today, Khadafy reportedly thanked Gorbachev for his pledge of solidarity. U.S. intelligence analysts say they doubt the Kremlin plans for a much closer relationship with Khadafy.

Jennings: One footnote to John McWethy's report of yesterday -- he said then that Secretary Shultz had made an assessment that Khadafy is more dangerous now than before the U.S. attack and Khadafy might seek revenge in a very personal way. Today, the State Department denied our specific report -- saying Mr. Shultz did not write any such assessment. (ABC-4)

CBS's Dan Rather: More than a week after the U.S. raid on Libya -- one Air Force F-111 jet is still unaccounted for. In recent days, Arabic newspapers have reported a Libyan claim that it recovered the F-111 wreckage and the bodies of the two U.S. crewmen killed. Tonight, correspondent David Martin reports there are now U.S. pictures that may support part of that claim -- that Libya may have pieces of the downed fighter.

CBS's David Martin reports the first pictures released believe to show wreckage -- apparently showing pieces of a wing from the one Air Force bomber lost in last week's U.S. raid on Libya.

(Libyan TV coverage: F-111 wing tip and one of its flaps.)

Some of the damage done to residential areas of Tripoli may have occurred when the fatally stricken plane released its bombs -- either accidentally or on purpose.

(Robert Sims, Pentagon spokesman: "We are willing to acknowledge the possibility that there may have been some inadvertent damage caused by U.S. forces, but we are also willing to acknowledge that there may have been some damage caused by the Libyan defenses.")

U.S.-LIBYA (continued)

Martin: (continued)

Last week's raid was designed to send a message to Khadafy, but U.S. officials say the most positive results so far have been the departure of European workers from Libya and the diplomatic sanctions ordered by the European allies.

Rather: President Reagan now has said that he would be willing to bomb Syria or Iran if he got hard evidence they carried out terrorist acts against Americans. He said that late yesterday.

(TV coverage: Still photograph of the President.)

Since then, his aides have been trying to put a softer edge of the President's remarks. Secretary Shultz said today no such attacks are planned. Shultz added the raid on Libya shows the U.S. will use military power in the fight against terrorism.

(TV coverage: Still photograph of Secretary Shultz.) (CBS-LEAD)

TERRORISM-WEST BERLIN

Brokaw reports police in West Berlin today offered a \$75,000 reward for information linking Ahmad Hasi and Hindawi to last month's terrorist bombing of the discotheque. (NBC-2)

TERRORISM-FRANCE

Brokaw reports France has beefed up its defenses along the Mediterranean coast. This coincided with the arrival there of two U.S. Sixth Fleet transport ships. (NBC-3)

DENMARK-LIBYA

Jennings reports Denmark has told some Libyans to go home. (ABC-2)

LONDON-BOMB

CBS's Doug Tunnell reports from Paris a bomb ripped through a British Airways office in one of London's main shopping districts today -- no one was injured. There is no evidence tonight linking the blast to Libya. Within hours, Western Europe's senior law men responded positively to the Reagan Administration -- they agreed to open a new channel with the U.S. to trade information on terrorists. The proposal coming from the U.S. Justice Department was put before the meeting here by the British. Especially in France, there has been a sweeping crackdown on Libyans and their friends here. Europe took today's bombing as another warning to fight back now against terrorism. (NBC-4, CBS-2)

ABC's Mike Lee reports from London a bomb exploded in a British Airways office in London. Also, Chancellor Kohl and French President Mitterand met in West Germany today and agreed with President Reagan's wish -- terrorism will be a prime topic of next week's economic summit in Tokyo. (ABC-3)

## ECONOMIC SUMMIT

Brokaw reports President Reagan tomorrow flies to Los Angeles on his way to the economic summit meeting in Asia.

John Chancellor's commentary -- They are building here in Hong Kong as though there were no tomorrow. Economic success and the promise of more of it may be the glue that will keep this part of the world from falling apart -- and that's why they're still building in Hong Kong. (NBC-10)

## AFGHANISTAN

Brokaw reports the Soviets are continuing their heaviest offensive against the Afghan rebels.

NBC's Marvin Kalb reports intelligence sources have told NBC News that the Administration is now sending secretly more than \$600 million worth of military supplies this year alone to the resistance fighters in Afghanistan. No one on Capitol Hill is objecting. The U.S. wants to make certain the Russians do not win a military victory and are forced ultimately to settle for a political compromise and withdrawal. (NBC-5)

## MICHAEL DEAVER

Jennings: President Reagan has said more than once, jokingly, that the person who draws up his schedule is the most important person in the world....

ABC's Sheilah Kast: Ever since Michael Deaver said farewell to his job as deputy White House chief of staff a year ago, he has retained tremendous access -- he still has a White House pass which allows him free entry. Everyday he receives a copy of the President's detailed schedule which lists meetings even many White House staffers don't know about.

(TV coverage: The President and Deaver in the Oval Office.)

Some question whether Deaver has overstepped the bounds of ethics. The House Energy and Commerce Committee is investigating Deaver's role in this happy scene -- when President Reagan and Prime Minister Mulroney met here last month. Mulroney had gotten what he wanted -- Mr. Reagan's agreement on a plan to attack acid rain -- an approach the President had previously opposed.

(TV coverage: The President and Mulroney in the Oval Office.)

Deaver is now a lobbyist -- with Canada as one of his clients. While he was still working at the White House; Deaver met with a Mulroney aide about appointing special envoys to study acid rain. The House committee is checking whether that violated -- the bar against a government official lobbying for one year on issues in which he has had personal and substantial involvement while in office. The House committee is also examining Deaver's lobbying on behalf of Rockwell International -- for the government to buy more B-1 bombers -- he met with Budget Director James Miller. Some say

MICHAEL DEAVER (continued)

Kast: (continued)

Deaver had also dealt with that issue in the White House. Deaver would not talk today, but in the past he has insisted he's done nothing wrong.

(Deaver: "There is no question that Ronald and Nancy Reagan are dear friends of mine and have been for almost 25 years. What I'm saying is -- A, I wouldn't tread on that friendship on behalf of a client and frankly, I'm insulted that people think that's all I have to offer.")

The President seems to agree.

(President on March 9: "Mike has never put on the arm on me or sought anything or any influence from me since he has been out of the government.")

The head of the Office of Government Ethics says he may ask the Justice Department to investigate possible criminal conflict of interest violations by Deaver. ABC News has learned that Senator Joseph Biden has asked the attorney general to appoint a special prosecutor.

(ABC-5)

Rather reports the White House confirmed today that Michael Deaver still gets a daily detailed copy of President Reagan's schedule. A House subcommittee investigation now will take place and it will include a look into some of Deaver's activities regarding attempts to meet with the head of the Federal Communications Commission at a time when CBS had hired Deaver during the takeover battle with Ted Turner. Also, Deaver's lobbying on behalf of Canada on the issue of acid rain will be investigated.

(CBS-6)

OIL PRICES

Jennings reports the Congressional Budget Office issued a report today -- calling for a special tariff on imported oil -- it cited as one of the benefits reducing American dependence from overseas.

ABC's Charles Gibson reports on what happened in the 1970s -- America's conservation of oil -- can happen again.

(James Schlesinger, former energy secretary: "The policy of this country ought to be to avoid the greater dependency on foreign sources of supply. Where we are heading now is much greater dependency.")

The experts say we're heading for trouble again.

(Senator Jim McClure: "The American public is led from one crisis to another and then always thinking about the current one, not the past one or the future one.")

The President's approach is simply to put his faith in the free market place.

(President on April 9: "We still believe in the free market. I'm resistant to the idea of government trying to inject itself -- through regulation and so forth -- to bring about a change, because that never has worked.")



OIL PRICES (continued)

Gibson: (continued)

There are plenty of calls for regulation and so forth -- an import fee, gasoline tax, research funds and tax credits. The experts say the vicious cycle probably won't be broken -- when it comes to the price of oil -- what has come down hard, could go up high.

(ABC-7)

Brokaw reports an oil import tax got the backing today of Senator Pete Domenici. (NBC-9)

EXXON CUTBACKS

Brokaw reports Exxon has sent letters to 40,000 U.S. employees offering incentives to resign or retire early -- it wants to achieve a huge cutback worldwide. (NBC-8)

WALDHEIM

Rather reports the head of the U.S. Justice Department's Nazi hunting unit now has recommended that Waldheim be barred from the U.S. -- for alleged evidence linking Waldheim to Nazi atrocities. A final decision whether to actually bar Waldheim from the U.S. is up to Attorney General Edwin Meese. (NBC-7, ABC-LEAD, CBS-3)

CHALLENGER

Brokaw reports we may soon learn what happened in the final moments of the Challenger; even after the explosion knocked out its electrical power. NASA has recovered a cassette and loose tape from the shuttle's crew cabin. It is believed the tape came from one of two battery-powered cassette recorders carried into space by crew members Jarvis and McAuliffe. (NBC-13)

CRIME

Jennings reports the FBI has reported a 4% increase in crime for the first time in four years. Crime was up everywhere in the country except the Midwest -- where it stayed about the same. The greatest increase, 8%, was in the South. A committee in the House said this week that America's borders are defenseless against a tidal wave of drugs. More drugs than ever will be smuggled across the border from Mexico this year. (ABC-6)

AT&T

Rather reports AT&T today announced the biggest price cut in its history -- reducing its long distance rates by \$1.5 billion on June 1 -- subject to approval by the Federal Communications Commission. (NBC-11, ABC-8, CBS-4)

## EDITORIALS/COLUMNISTS

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### ECONOMIC SUMMIT

The Summit In Tokyo -- Putting Economic Issues First -- "Ensuring that the world economic climate continues favorable is absolutely essential. It's a point that must not be lost sight of by the leaders of Western Europe, the United States, Canada, and Japan as they meet in Tokyo next month."  
(Christian Science Monitor, 4/24)

Outlook Better This Time -- "The Tokyo summit isn't likely to help the oil producers, either within the United States or elsewhere.... The talk in Tokyo is apt to focus on how best to manage a global trade so that no one will get hurt too badly.... The Tokyo summit will be organized around the idea of Japanese pride and power. To be sure, in an era of terrorism, the huge media corps will be away from the principals. They'll watch, along with everybody else, on television. But at least this time around, an American President won't have to worry about taking the weekend off when he gets home."

(Loveland Daily Reporter-Herald, Co., 4/15)

Japan's Responsibility -- "The U.S. currently has much to lose from Japan's traditional intransigence on trade issues.... Japan must take a leadership role in financing Third World development, providing more loans, aid and direct investment for developing economies. No matter how earnest Nakasone's intentions may be, any changes in trade strategy will be strongly opposed by many Japanese who don't favor relaxing import controls and who maintain a strong loyalty toward domestically produced products. The trade imbalance that could destabilize many economies won't improve until Japan recognizes its responsibility, and interdependency, in the international community."  
(Los Angeles Herald Examiner, 4/18)

Climbing Mt. Everest in Japan -- "Mr. Nakasone is said to have called the task of changing Japanese attitudes regarding exports and imports that are a century old similar to climbing Mt. Everest -- 'only higher.' Why not start with foothills, Mr. Nakasone? Given past history, even they will be challenging. Pick a foothill, any foothill -- semiconductors, timber products, medical instruments, telecommunications, toys, cars, oranges, to name but a few. Bring down the Japanese trade barriers. They are high, too, but they will yield if government takes a shovel to them."

(Chicago Tribune, 4/22)

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## FOREIGN MEDIA REACTION

### ECONOMIC SUMMIT

"At Luxembourg, on April 21, the 12 reaffirmed their position that a new cycle of multilateral trade negotiations must be decided on by all member countries and, consequently, that no date can be set in Tokyo. The 12 unanimously believe that Washington will not take retaliatory measures against the EEC on May 1 as threatened, but that it will at least wait for the end of the Tokyo summit." (Tribune de l'Economie, France)

"The Atlantic Alliance was hurt by the U.S. raid and we do not see how things could improve in Tokyo. President Reagan intends to talk about the antiterrorist struggle.... He feels the Alliance does not do its part when the issue is to prevent or destroy international terrorism." (Les Echos, France)

"In the face of current economic difficulties compared to those in the 1970s...it is proper for the ASEAN nations to express their concern to the participants of the Tokyo summit by way of presenting 'a Bali appeal' to President Reagan.... Notwithstanding the fact that the ASEAN concern is only a peripheral matter for the Tokyo summit.... ASEAN should not expect the Tokyo summit to give substantial attention their interests; 'the Bali appeal' will be useless unless it is followed by active involvement in other forums including the GATT." (Sinar Harapan, Indonesia)

"Bali, radiant and cordial, is preparing to welcome the visit of President Reagan. Fifteen thousand T-shirts with Soeharto-Reagan photos and inscription 'Long Live Indonesia-America Friendship' are now in circulation. Six to eight hundred journalists will come to Bali." (Pelita, Indonesia)

### TERRORISM

"American tourists are shunning Europe, mainly France. Fear of terrorism, Paris' refusal to permit the overfly of its territory and finally, the decline in the dollar, explain the catastrophic drop in reservations by U.S. citizens who had planned to spend their vacations in France...." (France-Soir, France)

"An inexplicable -- or, to say the least, surprising -- 'misunderstanding' has been added to the problem of the Western response to terrorism, whose potential effects cannot be easily assessed but which could have deep political repercussions. While Italy is officially stating that it 'advised against the military reprisal,' a high-level official of the U.S. Administration presents from Washington a completely different picture...." (Corriere della Sera, Italy)