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News Summary

OFFICE OF THE PRESS SECRETARY

THURSDAY, MAY 15, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Gorbachev Calls For Stronger U.N. Unit To Monitor Nuclear Power-Plant Safety -- Saying that "the worst is behind us," Mikhail Gorbachev called for a strengthened international organization to monitor and promote nuclear powerplant safety.

(Washington Post, New York Times, Wall Street Journal, Reuter)

Reagan Works To Salvage Saudi Arms Sale -- President Reagan, trying to salvage his proposed \$354 million weapons sale to Saudi Arabia, has come up with an unusual strategy -- seeking support for the deal from prominent Jewish leaders.

(Washington Post, Washington Times, AP, UPI)

NATIONAL NEWS

Reagan Gives "Top Priority" To Tax Bill's Passage -- President Reagan said yesterday that he is giving "top priority" to winning passage of the tax-overhaul measure approved by the Senate Finance Committee, and he appealed to Congress to reject attempts by "special interests" to amend it.

(Washington Post)

NETWORK NEWS (Wednesday Evening)

SOVIET NUCLEAR ACCIDENT -- Gorbachev had nothing new to say in public, not even to the Soviet public.

ISRAEL/SYRIA -- Secretary Shultz weighed in on the subject today.

AIRLINE SAFETY -- The FAA took a lot of criticism today from the House Aviation subcommittee.

DEAVER -- Michael Deaver has returned his White House pass.

The 'boring' best

Madame Defarge will have to tend to her knitting without the scrutiny of high schoolers from Silver Lake, Mass. The school board there has dropped a summer reading program for advanced students that was to have included Charles Dickens' "A Tale of Two Cities," Mark Twain's "Tom Sawyer" and classics by John Steinbeck and others.

Too boring, said board members, one of whom allowed that she "had not heard of half the books on the list." Quick -- send out for the collected works of Judith Krantz.

Dickens hit it on the nose: "It was the best of times, it was the worst of times." Emphasize worst.

THE MILWAUKEE JOURNAL Wednesday, May 7, 1986

INTERNATIONAL NEWS

GORBACHEV SAYS 9 DIED FROM NUCLEAR ACCIDENT, OFFERS TEST BAN SUMMIT

MOSCOW -- Mikhail Gorbachev, in his first statement on the accident at the Chernobyl nuclear power plant, disclosed tonight that nine persons have died -- seven of them in hospitals after the accident -- and that 299 victims are now hospitalized.

Gorbachev called the April 26 accident a painful "misfortune" that has been used in the West to mount "an unrestrained anti-Soviet campaign." Gorbachev also used the occasion to extend a unilateral moratorium on nuclear testing until August 6 and to renew his offer to meet President Reagan -- either in Europe or Hiroshima -- for a start on test ban negotiations.
(Celestine Bohlen, Washington Post, A1)

Gorbachev Calls For Stronger U.N. Unit To Monitor Nuclear Power-Plant Safety

Saying that "the worst is behind us," Mikhail Gorbachev called for a strengthened international organization to monitor and promote nuclear powerplant safety.
(John Fialka, Wall Street Journal, A3)

Gorbachev, On TV, Defends Handling Of Atom Disaster

MOSCOW -- Mikhail Gorbachev publicly discussed the Chernobyl disaster for the first time today, telling the Soviet people that the accident had shown the "sinister force" of nuclear energy going out of control.

Gorbachev also accused the West, and the U.S. in particular, of using the disaster for an unrestrained anti-Soviet campaign.
(Serge Schmemman, New York Times, A1)

White House "Serious" On Nuclear Safety Ideas

The White House said yesterday that it was prepared to give "most serious consideration" to Mikhail Gorbachev's call for international efforts on nuclear power plant safety to prompt reporting of accidents.

Larry Speakes turned aside Gorbachev's idea of a special summit meeting with President Reagan on the testing issue in a statement released five hours after the Soviet leaders' speech.

(Walter Pincus, Washington Post, A33)

White House Sees Merit In Gorbachev Speech

The White House welcomed Mikhail Gorbachev's proposals for better international cooperation on nuclear safety but said his address was marred by unwarranted charges against the U.S. over the Chernobyl disaster.

Larry Speakes, in a written statement, said the U.S. was comforted by Gorbachev's assurances yesterday that "the worst is behind us" in dealing with the nuclear reactor accident.

"We are distressed, however, that Mr. Gorbachev used the occasion of his otherwise reassuring presentation to make unfounded charges against the United States and other Western governments. On this score, he has obviously been misinformed," he said.
(Patricia Wilson, Reuter)

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SOVIETS EXPEL AMERICAN DIPLOMAT

MOSCOW -- The Soviet Union says it expelled an American diplomat after catching him in a secret meeting with a Soviet citizen it said was recruited by the CIA.

Erik Sites was arrested in Moscow on May 7, "when he had a secret meeting with a Soviet citizen recruited by the U.S. intelligence service," Tass said. Evidence "obtained at the moment of arrest...and in the course of the investigation fully disclose his (Sites') intelligence activities, incompatible with his official status." (Andrew Rosenthal, AP)

U.S. JEWS SAID UNLIKELY TO BACK SAUDI ARMS SALE

A leader of the American Jewish Committee yesterday described as "unrealistic" the suggestion by Richard Lugar that American Jews should support President Reagan's embattled proposal to sell missiles to Saudi Arabia.

David Gordis, the group's executive vice president, said the Jewish community had "indicated it would not go to battle on this issue" and that Israel could "live with" the sale. (David Hoffman, Washington Post, A24)

Reagan Works To Salvage Saudi Arms Sale

President Reagan, trying to salvage his proposed \$354 million weapons sale to Saudi Arabia, has come up with an unusual strategy -- seeking support for the deal from prominent Jewish leaders.

A White House official acknowledged efforts were under way "to arrange a possible meeting" with prominent Jewish leaders, but made clear no definite decision had been made. (Michael Myers, UPI)

Reagan Fights Uphill Battle To Salvage Saudi Arms Deal

Fighting an uphill battle against powerful pro-Israel interests in an election year, President Reagan is trying to salvage a plan to restock Saudi Arabia's arsenals, a proposal rejected by Congress last week while he was attending a summit meeting in Tokyo.

His aides are finding that despite Reagan's determination to wage all-out effort to turn the tide, the Administration is finding stiff resistance even in the Republican-controlled Senate, where Administration strategists believe they have their only chance for victory.

(Michael Putzel, News Analysis, AP)

Jewish Support Not Likely For Sale Of Arms To Saudis

The president of one of the nation's most influential Jewish organizations said yesterday the Reagan Administration's hope for gaining Jewish support for a \$354 million arms sale to Saudi Arabia is unrealistic.

"The Administration itself needs to face up to the question of whether this is sound policy for the United States, not whether or not the Jews disapprove," said Howard Friedman, president of the American Jewish Committee. (Rita McWilliams, Washington Times, A1)

U.S. CAUTIONS SYRIA, ISRAEL AGAINST WAR

The U.S. has cautioned Syria and Israel against going to war again despite the "highly tense situation" along their mutual border, Secretary Shultz said yesterday.

"We don't believe a war between Syria and Israel would serve either parties interests, and we have cautioned against it," Shultz told an Overseas Writers Club luncheon. "It is a highly tense situation, there's no doubt about it." (Joanne Omang, Washington Post, A31)

Shultz: Syria-Israel Situation "Highly Tense"

The Administration, seeking to defuse what Secretary Shultz calls a "highly tense" situation, has cautioned both Israel and Syria against going to war.

Shultz also said that if solid evidence emerges linking Syria to terrorist attacks against America, "we will do something about it," but he declined to elaborate. (Matthew Quinn, UPI)

U.S. TREADS SOFTLY WITH SYRIA, ALLIES

The White House stepped carefully yesterday between allies' claims of Syrian involvement in terrorist attacks in Germany and Israel and news reports that Syria is seeking the release of five American hostages in Lebanon.

Larry Speakes repeated U.S. concern over Syrian support for terrorism, but he said the U.S. does not have "any independent or conclusive proof" that Syria was involved in terrorist attacks in Germany and the attempted bombing of an Israeli airplane in London.

(Jeremiah O'Leary, Washington Times, A1)

U.S. Voices Caution On Linking Syrians To Terror Acts

The Reagan Administration said today that it was "premature" to draw any conclusions about Syrian complicity in recent terrorism activities. But officials denied that the U.S. was seeking to "soft-pedal" Syria's links to violent attacks in Europe. (Bernard Gwertzman, New York Times, A1)

CANADIANS TO SCAN DEEVER CONTRACT

Michael Deaver's lobbying contract with the Canadian Embassy has spawned a potential scandal for the government of Brian Mulroney.

(George Archibald, Washington Times, A3)

LUGAR DEFENDS HABIB RECORD ON MANAGUA

Richard Lugar yesterday defended presidential envoy Philip Habib who had come under fire from House Republicans. "Philip Habib is not talking about a piece of paper people can sign and forget about," Lugar said. "If a treaty is signed by Central American countries that has all the elements we feel should be in there, we should support it."

(Jeremiah O'Leary & Christopher Simpson, Washington Times, A1)

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SENATE PANEL HALVES ADMINISTRATION REQUEST FOR EMBASSY SECURITY

The Senate Foreign Relations Committee cut in half the State Department request for \$2.1 billion for embassy security despite Secretary Shultz's warning that such an action would be "a tragedy for nation security interests."

Chairman Richard Lugar said the reduction would help prevent a Senate floor fight on the proposed five-year, \$4.4 billion program, which some lawmakers have criticized as "gold-plated." (AP)

MOZAMBIQUE RETHINKING ITS TIES TO THE WEST

MAPUTO, Mozambique -- Socialist Mozambique, whose wooing by the Reagan Administration is widely viewed as America's one clear diplomatic success in southern Africa, is beginning to have second thoughts about its historic opening to the West.

There is a growing feeling inside the government of President Machel that the U.S. has failed to deliver on promises of support it made two years ago when Machel took a big political risk by signing a nonaggression pact with neighboring, white-ruled South Africa.

(Glenn Frankel, Washington Post, A23)

NAVY DETERS IRANIAN INTERCEPTION

A U.S. Navy warship intercepted an Iranian frigate earlier this week and persuaded it to cease apparent efforts to interrupt a U.S. cargo ship's passage in the Gulf of Oman, the Defense Department said yesterday.

Administration officials, who agreed to discuss the matter only if not identified, said the Iranians were thought to have been planning to board the President McKinley to search it for war material that might be bound for Iraq.

(AP Story, Washington Post, A24)

Call By U.S. Destroyer Deters Iranian Frigate

A U.S. destroyer turned back an Iranian warship in the Gulf of Oman with a radio warning this week as the Iranian ship moved toward an American merchant ship, the Defense Department said today.

(Walter Andrews, Washington Times, A2)

PENTAGON DENIES CLAIM THAT LEAKS BY WHITE HOUSE ENDANGERED RAID

The Pentagon has denied a congressional report's claim that the Reagan Administration compromised operational secrecy by leaking details of the April 14 bombing raid against Libya.

(Bill Gertz, Washington Times, A2)

FORMER OFFICIAL FROM IRAN VISITS U.S.

A former member of the Iranian parliament who was foreign minister when U.S. diplomats in Tehran were taken hostage is visiting the U.S., and one Iranian exile group says his itinerary includes talks with U.S. officials.

According to State Department spokesman, Ibrahim Yazdi was granted a visa on a "humanitarian basis" and will not meet with U.S. officials.

(Peyman Pejman, Washington Post, A24)

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NATIONAL NEWS

REAGAN GIVES "TOP PRIORITY" TO TAX BILL'S PASSAGE

President Reagan said yesterday that he is giving "top priority" to winning passage of the tax-overhaul measure approved by the Senate Finance Committee, and he appealed to Congress to reject attempts by "special interests" to amend it.

White House officials said Reagan plans to stress the tax measure during the next few weeks in speeches devoted to the theme that Administration policies are especially beneficial to young Americans, a target group for Republicans in this year's elections.

(Lou Cannon, Washington Post, A12)

BOTH TAX-OVERHAUL BILLS HAVE SURPRISES IN RATES, DEDUCTIONS IN FIRST YEAR

The first year of tax overhaul would bring an unpleasant surprise to many people anticipating hefty decreases in their tax bills.

The tax-revision bill approved last week by the Senate Finance Committee, as well as one passed by the House last year, would repeal many popular deductions on the first day the law takes effect, but would not cut tax rates for individuals and corporations until six months later. The standard deduction would increase a year after the law is implemented.

(Anne Swardson, Washington Post, A1)

HOUSE BUDGET DEBATE BEGINS AS BLUEPRINT DRAWS GRUMBLES

The House yesterday opened debate on a Democrat-drafted budget for next year that has been denounced as "totally unacceptable" by President Reagan but described by House Speaker O'Neill as likely to pass on a close vote.

"This is just the early stage," O'Neill said in reference to the \$285 billion allocation for defense in the Democrat-drafted plan, \$35 billion less than Reagan proposed and \$16 billion less than the Senate approved in its version of the budget last month.

(Helen Dewar, Washington Post, A9)

U.S. PENSION COMPROMISE APPROVED

The White House and congressional conferees agreed yesterday on a retirement system for new federal workers that would save taxpayers about \$2 billion a year, create a tax-deferred savings plan to raise employees' retirement income and deny cost-of-living increases to retirees under 62.

The President has approved the agreement on the retirement bill this morning," said Constance Horner. "The bill is a terrific outcome, fair to both taxpayers and employees." (Judith Havermann, Washington Post, A1)

U.S. MAY BOOST SHUTTLE'S MILITARY ROLE

An Administration task force is expected to recommend to President Reagan that the space shuttle no longer compete to launch commercial and foreign satellites as part of a major policy shift to make room for the backlog of military payloads, according to Administration sources.

A White House official said not all commercial satellites would be shifted off the shuttle, but that it was likely there would be "a mix" of commercial and military payloads in the future. He said he could not be more precise. (Michael Isikoff & David Hoffman, Washington Post, A1)

DEAVER'S ROLE IN EFFORT FOR D.C. BASEBALL STUDIED

A preliminary inquiry by the FBI into the activities of Michael Deaver will include Deaver's role in obtaining a letter from President Reagan endorsing the return of major league baseball to Washington, government sources said yesterday.

White House counsel Peter Wallison told presidential aides in a memo this week that the FBI was also looking into the circumstances surrounding the baseball letter. A source familiar with the activities of the Deaver firm said Fred Fielding had given prior approval to sending the baseball letter. (David Hoffman, Washington Post, A3)

White House Memo Warns Aides To Watch Their Conduct

Peter Wallison has warned White House aides in a lengthy memorandum to "review standards of conduct" governing their contacts with other government agencies.

Senior Administration officials said the memorandum indicates a heightened sense of concern about ethical issues in the White House in the wake of publicity surrounding Deaver, who has denied any wrong doing.

(Mark Tapscott, Washington Times, A1)

AVIATION AGENCY CAN'T ASSURE SAFETY, HILL TOLD

The FAA "cannot say with assurance that airlines are complying with safety regulations," the GAO told Congress yesterday. GAO Associate Director Herbert McClure said management shortcomings, inadequate training and lack of universally understood standards also make the FAA ill-prepared to add much-needed inspectors.

While the FAA has taken "real steps" to address those problems, McClure said, it is caught between the need to do more and insufficient information to decide what should be done. The FAA is "in a hole and needs to get out of that hole," he said.

(Douglas Feaver, Washington Post, A1)

Thursday, May 15, 1986 -- A-9

FAA Says Airline Inspections Are Better Than Ever, But Critics Disagree

The FAA says it's ferreting out unsafe airline practices aggressively and better than ever, but some critics say the agency is playing for headlines while others see its airline inspection program as too weak.

The FAA, which in the past has been subject to sharp criticism from the GAO, disputed much of the congressional investigator's findings, although acknowledging there are still problems that need to be corrected.

(Josef Hebert, AP)

EDITOR'S NOTE: "Managing The News -- Good, Bad And 'Teeny-Tiny', Larry Speakes offers reporters a lighthearted insight into how the government manages the news," appears on page A19 of the Washington Post.

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NETWORK NEWS SUMMARY

(Wednesday Evening, May 14, 1986)

SOVIET NUCLEAR ACCIDENT

CBS's Dan Rather: ...Mikhail Gorbachev has had nothing to say about the accident in public, not even to the Soviet public. Today, Gorbachev finally appeared on Soviet television to proclaim the worst is behind us.

CBS's Wyatt Andrews reports from Moscow Mikhail Gorbachev praised the heroism of the workers who reacted to the disaster and he announced a new death count -- nine dead and 299 hospitalized. (Soviet TV coverage: Mikhail Gorbachev.)

He admitted the radiation levels are still high and said the government informed the world immediately. Gorbachev praised two American doctors by name and thanking them for their work. However, he was aggressive in his criticism of the Western press -- saying that a campaign had been mounted to discredit Soviet peace initiatives and the West used Chernobyl to slander the Soviets credibility. Also, he announced a unilateral nuclear test ban -- he said the nuclear arsenals of the world are far more powerful than Chernobyl. He offered to meet President Reagan anytime, anywhere to discuss a moratorium, including Hiroshima; if the President will see him there.

Rather reports President Reagan's response to Gorbachev's claims -- that the West was trying to milk the Chernobyl accident -- wasn't true and is deplorable. Regarding Gorbachev's arms control invitation, the White House said it was nothing new. (CBS-LEAD)

ABC's Peter Jennings: It took a full 18 days before Mikhail Gorbachev made any public pronouncement on the nuclear disaster at Chernobyl. Today on Soviet television, Mr. Gorbachev said the accident has deeply affected the Soviet people and as he put it, disturbed world opinion. He told his fellow countrymen that the worst is now behind them.

ABC's Dean Reynolds reports from Moscow Mikhail Gorbachev first public comment on Chernobyl led off the Soviet evening news. (Soviet TV coverage: Mikhail Gorbachev.)

He told his countrymen the accident claimed nine lives and injured 299 others and he tried to explain what went wrong at the reactor. He praised the cleanup efforts at the Chernobyl site. Gorbachev thanked his Socialist bloc allies for their solidarity in the face of the crisis and he expressed his gratitude to the team of American doctors performing emergency bone marrow surgery on the victims. However, his mood changed when discussing how the Reagan Administration, the Western allies and the Western press responded. Also, Gorbachev said he will extend the unilateral moratorium on nuclear testing until Aug. 6 of this year and made a renewed offer to meet President Reagan without delay in the capital of any European country or in Hiroshima to work on an agreement on banning nuclear tests.

Thursday, May 15, 1986 -- B-2

Jennings reports the White House reacted fairly quickly to Gorbachev's statements and was not at all pleased with his charge that the U.S. has been spreading false information about Chernobyl. A spokesman said we are distressed that Gorbachev used the occasion to make unfounded charges against the U.S. There was little enthusiasm expressed for Gorbachev's decisions to extend the moratorium on nuclear testing. (ABC-LEAD)

NBC's Tom Brokaw: Mikhail Gorbachev called Chernobyl our misfortune when he went on television from Moscow tonight -- his first public comments on this nuclear disaster. He raised the death toll by one, expanded the number of those injured and blamed the Western press for exaggerating the problem. As Steve Hurst reports now, he also attempted to use the Chernobyl accident as an opening to wider talks in the use of nuclear power.

NBC's Steve Hurst reports from Moscow Mikhail Gorbachev said nine people were now dead and the number of those hospitalized with radiation sickness had increased to 299. Gorbachev said a power surge led to the accident and charged Washington and the Western news media with lying about the accident. His major points of his speech were: A continuation of the Soviet moratorium on nuclear testing until Aug. 6; a new invitation to President Reagan to meet anywhere in Europe or in Hiroshima to sign a nuclear test ban treaty; and a call for a conference in Vienna to set up a better international system to warn the world in case of nuclear accidents.

Brokaw reports there was a statement at the White House saying that the U.S. is comforted by Gorbachev's statement that the worst is now over, but his call for a test ban treaty was rejected. The White House accused Gorbachev of making unfounded charges, saying there had been no effort by this country or its allies to make political capital out of Chernobyl. As for Gorbachev's criticism of the Western press, the White House said if there were mistakes in reporting, they were the result of the extreme secrecy by the Kremlin.

BROKAW DISCUSSES THE U.S.-SOVIET RELATIONS WITH WILLIAM HYLAND

Brokaw: What about the chances for an overall summit meeting this summer between the President and Gorbachev? Are they affected at all by Chernobyl?

Hyland, editor of Foreign Affairs: Probably not for this summer, but I think the chances of a summit meeting have improved....

Brokaw: Will this affect his grip on power within the Soviet Union?

Hyland: Not in a general sense, but I do think it weakens him....

Brokaw: Do you think there is a chance the U.S. and the Soviet Union can get together on this question of peaceful use of nuclear power and the safety questions involved?

Hyland: I think so. After all, this is basically an American proposal.... (NBC-LEAD)

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NBC's John Chancellor's commentary: Four decades of the nuclear age have trained the public to expect a catastrophe in the event of a nuclear accident. (NBC-12)

U.S. DIPLOMATS EXPELLED

Rather reports Moscow said today that it has expelled a U.S. diplomat for spying. The U.S. Embassy said the diplomat left Moscow last Saturday. Reagan Administration aides declined any other comment. (NBC-2, ABC-2, CBS-2)

ISRAEL-SYRIA

Jennings: ...Secretary Shultz weighed in on the subject today.

ABC's Jeanne Meserve reports Secretary Shultz said there is very real threat of war between Israel and Syria.

(Shultz: "There is a big Syrian buildup. They have been sending their fortifications forward in Lebanon and it is a highly tense situation -- there is no doubt about it.")

He urged restraint on both sides.

(Shultz: "We don't believe a war between Israel and Syria would serve either party's interest and we have cautioned against it.")

Shultz hedged on reports that Syria is involved in efforts to free the American and French hostages being held in Lebanon.

(Shultz: "Is there hardly any way to tell that whether any party is playing a constructive role on matters of that kind until we have the hostages released.")

The Administration backed off a comment made yesterday by Deputy Secretary of State John Whitehead that is no reason to doubt Syrian involvement in terrorist attacks in Britain and Germany. Spokesman Larry Speakes said today there is no conclusive proof of Syrian involvement. (ABC-3)

GULF OF OMAN

Rather reports the Pentagon says a U.S. Navy destroyer intercepted an Iranian frigate two days ago after determining the Iranians were planning to board and search an American merchant ship. The Pentagon says the U.S. destroyer repeatedly asked the Iranian warship by radio to move on and it eventually did. (ABC-8, CBS-7)

AIRLINE SAFETY

ABC's Bettina Gregory reports the FAA took a lot criticism today by the House Aviation subcommittee. The GAO delivered a report to the congressional subcommittee which was a complete indictment of the FAA's inspection program for airline safety regulations. The report said the FAA does not know what airlines are being inspected or what the inspections show and new inspectors are not being given enough training. Also, FAA handbooks and manuals are outdated and obsolete. In addition, the National Transportation Safety Board blamed recent near air traffic misses on air traffic controller errors. The board charged the FAA with poor training of the controllers and not enough supervision. (NBC-5, ABC-5)

Thursday, May 15, 1986 -- B-4

CBS's Steve Young reports from New York that Pan Am has told the public and warned would-be terrorists that they are prepared to meet force with force -- the airline has its own specially trained and beefed up security force. (CBS-6)

NASA

Brokaw reports NASA looked ahead to the 1990s for the construction of a \$8 billion manned space station. It would be a joint venture with Western Europe, Japan and Canada. NASA said it will take 14 shuttle flights to build the station and by the ninth flight in 1994, it could be permanently manned. (NBC-6)

DRUGS-U.S.

ABC's Bill Greenwood presents a special segment on the U.S. government's new technique on the war against those people who make money from selling drugs. In order to take the profit from pushers, the 1984 Federal Crime Control Act now orders marshals to seize and sell property bought with drug money and the proceeds go to the U.S. Treasury; unless the criminals can prove the property was financed from legitimate sources. (ABC-10)

U.S. DRUG EXPORTS

Rather reports the Senate voted overwhelmingly to allow U.S. makers to sell medicines overseas that have not received federal approval for sale here at home. Also, the Senate bill provides for stricter quality control of infant formulas sold in the U.S. and overseas. (CBS-10)

SAUDI ARABIA-BANKS

CBS's Bernard Goldberg reports from New York that Saudi Arabia's economy is in trouble due to the low oil prices -- hundreds of companies are on the brink of bankruptcy. In response, the Saudi businessmen are stiffing their creditors, saying it's against their religion to pay interest on loans and that could cost banks, including many American banks, three to five billion dollars. (CBS-8)

MICHAEL DEAVER

Brokaw reports Michael Deaver has returned his White House pass, stopped using the White House tennis courts and no longer gets copies of the President's personal schedule. Deaver said the move was aimed at averting possible embarrassment to Mr. Reagan. (NBC-8)

POW SCHOOL

NBC's Fred Francis presents a special segment on POW school -- an Army program to teach soldiers how to avoid and how to survive being prisoners of war. (NBC-9)

ANDRAI ARTUKOVIC

CBS's Terry Drinkwater reports a court in Yugoslavia ruled today that Andrai Artukovic must die for war crimes as a top level Nazi collaborator. (NBC-11, ABC-6, CBS-3)

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EDITORIALS/COLUMNISTS

TAX REFORM

Lower Rates Or Lower Taxes? -- "Keep this in mind in the months ahead as Congress moves closer to approving a radical change in tax laws: Cutting tax rates doesn't necessarily mean lower taxes for any particular individual."
(Chicago Tribune, 5/14)

Supply-Side Triumph -- "As one chagrined lobbyist acknowledged last week, 'any bill endorsed by both Jack Kemp and Ted Kennedy has a future.' Tax reform still is not a certainty, but it appears more and more to be the sort of irresistible force Victor Hugo had in mind. That's the best news the American taxpayer has heard in half a century."
(San Diego Union, 5/10)

Hope For Real Tax Reform -- "The amazing thing is not that the Senate committee's bill has some flaws but that it has so many good points. It is possible that fairer, simpler taxing designed to be 'revenue neutral' could really produce more taxes for government at lower rates simply because the new plan might help the economy to grow."
(Chatanooga News-Free Press, 5/8)

Senate Committee's Tax Bill Revives Chances For Reform -- "Unfortunately, the committee wasn't equally bold when it came to special tax breaks for oil and gas drillers -- and for the timber industry that plays such a big role in Senator Packwood's Oregon. But the amount of such favoritism is minimal, and the bill is a vast improvement over existing law. The plan's very fairness means it likely will face stiff opposition from senators whose home-state industries would lose special tax benefits. But President Reagan promises to throw his considerable weight behind the bill when it reaches the Senate floor. So the once-gloomy prospects for a fairer and simpler tax code have brightened immeasurably. For that, Americans can thank Senator Packwood, who has redeemed himself after a faltering start on the road to genuine reform."
(Louisville Courier-Journal, 5/11)

The Bottom Line: It's What Matters Most In Income Tax Reform -- One more thing: Repealing the deductions the first day the new law goes into effect and phasing in the new lower rates six months later is a tax increase, however you look at it. It would be far fairer -- and simpler -- to make all the changes at once."
(Detroit Free Press, 5/13)

Miracle On Capitol Hill? -- "It sounds almost too good to be true. We shall have to wait and see what comes out of the congressional sausage-grinder, but so far the odor is more savory than anyone, a few weeks ago, would have thought."
(Dallas Morning News, 5/13)

Tax Bill Is Real Reform -- "All in all, the value of this reform effort lies not only in the tax reductions it would bring most individual taxpayers but in the effect it would have on future spending decisions. It reduces the tax reward for spending and is at least neutral, if not encouraging, toward saving.... But it deserves public support along the way as a definite improvement over the current tax system."
(Oregonian, 5/8)

Packwood Plan Has Merit But Faces Hurdles -- "No tax revision could make everyone happy. But the Packwood committee has moved the nation several steps closer to a slightly more simple, and perhaps more fair, tax system. For that it deserves credit." (Fort Worth-Star Telegram, 5/9)

Packwood's Bridge -- "We do not oppose Packwood's bill. We simply ask, let us give more attention to this immensely complex bill which suddenly bloomed in Washington like the proverbial tooth fairy. And let us ask the hard question which Packwood himself asked before he became so enamored with his new bridge, which is: Would we be better off to keep the old system, making only the necessary adjustments to give tax relief to the working poor while eliminating the most egregious tax shelters for the rich?" (Baltimore Evening Sun, 5/8)

SAUDI ARMS SALE

Reverse Saudi Arms Vote -- "United States -- and, therefore, Western -- influence with Saudi Arabia has depended, among other things, on periodic weapons assistance. For justifiable strategic, diplomatic and economic reasons, that arrangement should not be disrupted. Rather, the President ought to invoke his veto, and enough House and Senate votes should be reversed to sustain it." (Salt Lake Tribune, 5/9)

Support Reagan On Saudi Sale -- "The Congress should allow the President to exercise his judgment in this matter while carrying out his constitutional responsibility as the organ of this country's foreign relations. A president who does not enjoy the confidence and respect of his own Congress in handling these matters can hardly expect to have the confidence and respect of foreign powers, and so would not be able to act, as Alexander Hamilton put it in the 55th Federalist Paper, 'with an equal degree of weight or efficacy.' The root of most terrorism today is in the Middle East, and a weakened president overruled by a Congress perceived as hostile to all Arabs would never be able to get at the root and work out a just and lasting peace in that troubled region."

(San Diego Tribune, 5/10)

Blocking Saudi Arms Sale Is Shortsighted Politics -- "Whatever the historic grudges against Arab oil producers, the fact is that Arab states do behave differently. While the Saudis may not have advanced peace in the region, they have not blocked it. That puts them in a different class from Libya and Syria. It would be unfortunate if congressional awareness of that critical difference came only with a change of one or more oil states to radical rule. President Reagan will veto the resolution, and it is to be hoped that cooler congressional heads will muster enough votes, at least in the Senate, to prevent his veto from being overridden, thus allowing the sale to go through." (Philadelphia Inquirer, 5/14)

MARCOS

We've Had All We Can Take! -- "Enough already! We've just about had it with all the trials and tribulations of Ferdinand and Imelda Marcos. Why won't they just shut up and go away somewhere? It's not as if they can't afford the price of a plane ticket.... We'd like to think this saga is about to end, but we've got a sinking feeling that we won't be so lucky."

(Galveston Daily News, 5/2)



News Summary

OFFICE OF THE PRESS SECRETARY

THURSDAY, MAY 15, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Gorbachev Calls For Stronger U.N. Unit To Monitor Nuclear Power-Plant Safety -- Saying that "the worst is behind us," Mikhail Gorbachev called for a strengthened international organization to monitor and promote nuclear powerplant safety.

(Washington Post, New York Times, Wall Street Journal, Reuter)

Reagan Works To Salvage Saudi Arms Sale -- President Reagan, trying to salvage his proposed \$354 million weapons sale to Saudi Arabia, has come up with an unusual strategy -- seeking support for the deal from prominent Jewish leaders.

(Washington Post, Washington Times, AP, UPI)

NATIONAL NEWS

Reagan Gives "Top Priority" To Tax Bill's Passage -- President Reagan said yesterday that he is giving "top priority" to winning passage of the tax-overhaul measure approved by the Senate Finance Committee, and he appealed to Congress to reject attempts by "special interests" to amend it.

(Washington Post)

NETWORK NEWS (Wednesday Evening)

SOVIET NUCLEAR ACCIDENT -- Gorbachev had nothing new to say in public, not even to the Soviet public.

ISRAEL/SYRIA -- Secretary Shultz weighed in on the subject today.

AIRLINE SAFETY -- The FAA took a lot of criticism today from the House Aviation subcommittee.

DEAVER -- Michael Deaver has returned his White House pass.

The 'boring' best

Madame Defarge will have to tend to her knitting without the scrutiny of high schoolers from Silver Lake, Mass. The school board there has dropped a summer reading program for advanced students that was to have included Charles Dickens' "A Tale of Two Cities," Mark Twain's "Tom Sawyer" and classics by John Steinbeck and others.

Too boring, said board members, one of whom allowed that she "had not heard of half the books on the list." Quick -- send out for the collected works of Judith Krantz.

Dickens hit it on the nose: "It was the best of times, it was the worst of times." Emphasize worst:

THE MILWAUKEE JOURNAL Wednesday, May 7, 1986

INTERNATIONAL NEWS

GORBACHEV SAYS 9 DIED FROM NUCLEAR ACCIDENT, OFFERS TEST BAN SUMMIT

MOSCOW -- Mikhail Gorbachev, in his first statement on the accident at the Chernobyl nuclear power plant, disclosed tonight that nine persons have died -- seven of them in hospitals after the accident -- and that 299 victims are now hospitalized.

Gorbachev called the April 26 accident a painful "misfortune" that has been used in the West to mount "an unrestrained anti-Soviet campaign." Gorbachev also used the occasion to extend a unilateral moratorium on nuclear testing until August 6 and to renew his offer to meet President Reagan -- either in Europe or Hiroshima -- for a start on test ban negotiations. (Celestine Bohlen, Washington Post, A1)

Gorbachev Calls For Stronger U.N. Unit To Monitor Nuclear Power-Plant Safety

Saying that "the worst is behind us," Mikhail Gorbachev called for a strengthened international organization to monitor and promote nuclear powerplant safety. (John Fialka, Wall Street Journal, A3)

Gorbachev, On TV, Defends Handling Of Atom Disaster

MOSCOW -- Mikhail Gorbachev publicly discussed the Chernobyl disaster for the first time today, telling the Soviet people that the accident had shown the "sinister force" of nuclear energy going out of control.

Gorbachev also accused the West, and the U.S. in particular, of using the disaster for an unrestrained anti-Soviet campaign.

(Serge Schmemman, New York Times, A1)

White House "Serious" On Nuclear Safety Ideas

The White House said yesterday that it was prepared to give "most serious consideration" to Mikhail Gorbachev's call for international efforts on nuclear power plant safety to prompt reporting of accidents.

Larry Speakes turned aside Gorbachev's idea of a special summit meeting with President Reagan on the testing issue in a statement released five hours after the Soviet leaders' speech.

(Walter Pincus, Washington Post, A33)

White House Sees Merit In Gorbachev Speech

The White House welcomed Mikhail Gorbachev's proposals for better international cooperation on nuclear safety but said his address was marred by unwarranted charges against the U.S. over the Chernobyl disaster.

Larry Speakes, in a written statement, said the U.S. was comforted by Gorbachev's assurances yesterday that "the worst is behind us" in dealing with the nuclear reactor accident.

"We are distressed, however, that Mr. Gorbachev used the occasion of his otherwise reassuring presentation to make unfounded charges against the United States and other Western governments. On this score, he has obviously been misinformed," he said. (Patricia Wilson, Reuter)

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SOVIETS EXPEL AMERICAN DIPLOMAT

MOSCOW -- The Soviet Union says it expelled an American diplomat after catching him in a secret meeting with a Soviet citizen it said was recruited by the CIA.

Erik Sites was arrested in Moscow on May 7, "when he had a secret meeting with a Soviet citizen recruited by the U.S. intelligence service," Tass said. Evidence "obtained at the moment of arrest...and in the course of the investigation fully disclose his (Sites') intelligence activities, incompatible with his official status." (Andrew Rosenthal, AP)

U.S. JEWS SAID UNLIKELY TO BACK SAUDI ARMS SALE

A leader of the American Jewish Committee yesterday described as "unrealistic" the suggestion by Richard Lugar that American Jews should support President Reagan's embattled proposal to sell missiles to Saudi Arabia.

David Gordis, the group's executive vice president, said the Jewish community had "indicated it would not go to battle on this issue" and that Israel could "live with" the sale. (David Hoffman, Washington Post, A24)

Reagan Works To Salvage Saudi Arms Sale

President Reagan, trying to salvage his proposed \$354 million weapons sale to Saudi Arabia, has come up with an unusual strategy -- seeking support for the deal from prominent Jewish leaders.

A White House official acknowledged efforts were under way "to arrange a possible meeting" with prominent Jewish leaders, but made clear no definite decision had been made. (Michael Myers, UPI)

Reagan Fights Uphill Battle To Salvage Saudi Arms Deal

Fighting an uphill battle against powerful pro-Israel interests in an election year, President Reagan is trying to salvage a plan to restock Saudi Arabia's arsenals, a proposal rejected by Congress last week while he was attending a summit meeting in Tokyo.

His aides are finding that despite Reagan's determination to wage all-out effort to turn the tide, the Administration is finding stiff resistance even in the Republican-controlled Senate, where Administration strategists believe they have their only chance for victory.

(Michael Putzel, News Analysis, AP)

Jewish Support Not Likely For Sale Of Arms To Saudis

The president of one of the nation's most influential Jewish organizations said yesterday the Reagan Administration's hope for gaining Jewish support for a \$354 million arms sale to Saudi Arabia is unrealistic.

"The Administration itself needs to face up to the question of whether this is sound policy for the United States, not whether or not the Jews disapprove," said Howard Friedman, president of the American Jewish Committee. (Rita McWilliams, Washington Times, A1)

U.S. CAUTIONS SYRIA, ISRAEL AGAINST WAR

The U.S. has cautioned Syria and Israel against going to war again despite the "highly tense situation" along their mutual border, Secretary Shultz said yesterday.

"We don't believe a war between Syria and Israel would serve either parties interests, and we have cautioned against it," Shultz told an Overseas Writers Club luncheon. "It is a highly tense situation, there's no doubt about it." (Joanne Omang, Washington Post, A31)

Shultz: Syria-Israel Situation "Highly Tense"

The Administration, seeking to defuse what Secretary Shultz calls a "highly tense" situation, has cautioned both Israel and Syria against going to war.

Shultz also said that if solid evidence emerges linking Syria to terrorist attacks against America, "we will do something about it," but he declined to elaborate. (Matthew Quinn, UPI)

U.S. TREADS SOFTLY WITH SYRIA, ALLIES

The White House stepped carefully yesterday between allies' claims of Syrian involvement in terrorist attacks in Germany and Israel and news reports that Syria is seeking the release of five American hostages in Lebanon.

Larry Speakes repeated U.S. concern over Syrian support for terrorism, but he said the U.S. does not have "any independent or conclusive proof" that Syria was involved in terrorist attacks in Germany and the attempted bombing of an Israeli airplane in London.

(Jeremiah O'Leary, Washington Times, A1)

U.S. Voices Caution On Linking Syrians To Terror Acts

The Reagan Administration said today that it was "premature" to draw any conclusions about Syrian complicity in recent terrorism activities. But officials denied that the U.S. was seeking to "soft-pedal" Syria's links to violent attacks in Europe. (Bernard Gwertzman, New York Times, A1)

CANADIANS TO SCAN DEEVER CONTRACT

Michael Deaver's lobbying contract with the Canadian Embassy has spawned a potential scandal for the government of Brian Mulroney.

(George Archibald, Washington Times, A3)

LUGAR DEFENDS HABIB RECORD ON MANAGUA

Richard Lugar yesterday defended presidential envoy Philip Habib who had come under fire from House Republicans. "Philip Habib is not talking about a piece of paper people can sign and forget about," Lugar said. "If a treaty is signed by Central American countries that has all the elements we feel should be in there, we should support it.)

(Jeremiah O'Leary & Christopher Simpson, Washington Times, A1)

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SENATE PANEL HALVES ADMINISTRATION REQUEST FOR EMBASSY SECURITY

The Senate Foreign Relations Committee cut in half the State Department request for \$2.1 billion for embassy security despite Secretary Shultz's warning that such an action would be "a tragedy for nation security interests."

Chairman Richard Lugar said the reduction would help prevent a Senate floor fight on the proposed five-year, \$4.4 billion program, which some lawmakers have criticized as "gold-plated." (AP)

MOZAMBIQUE RETHINKING ITS TIES TO THE WEST

MAPUTO, Mozambique -- Socialist Mozambique, whose wooing by the Reagan Administration is widely viewed as America's one clear diplomatic success in southern Africa, is beginning to have second thoughts about its historic opening to the West.

There is a growing feeling inside the government of President Machel that the U.S. has failed to deliver on promises of support it made two years ago when Machel took a big political risk by signing a nonaggression pact with neighboring, white-ruled South Africa.

(Glenn Frankel, Washington Post, A23)

NAVY DETERS IRANIAN INTERCEPTION

A U.S. Navy warship intercepted an Iranian frigate earlier this week and persuaded it to cease apparent efforts to interrupt a U.S. cargo ship's passage in the Gulf of Oman, the Defense Department said yesterday.

Administration officials, who agreed to discuss the matter only if not identified, said the Iranians were thought to have been planning to board the President McKinley to search it for war material that might be bound for Iraq.

(AP Story, Washington Post, A24)

Call By U.S. Destroyer Deters Iranian Frigate

A U.S. destroyer turned back an Iranian warship in the Gulf of Oman with a radio warning this week as the Iranian ship moved toward an American merchant ship, the Defense Department said today.

(Walter Andrews, Washington Times, A2)

PENTAGON DENIES CLAIM THAT LEAKS BY WHITE HOUSE ENDANGERED RAID

The Pentagon has denied a congressional report's claim that the Reagan Administration compromised operational secrecy by leaking details of the April 14 bombing raid against Libya.

(Bill Gertz, Washington Times, A2)

FORMER OFFICIAL FROM IRAN VISITS U.S.

A former member of the Iranian parliament who was foreign minister when U.S. diplomats in Tehran were taken hostage is visiting the U.S., and one Iranian exile group says his itinerary includes talks with U.S. officials.

According to State Department spokesman, Ibrahim Yazdi was granted a visa on a "humanitarian basis" and will not meet with U.S. officials.

(Peyman Pejman, Washington Post, A24)

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NATIONAL NEWS

REAGAN GIVES "TOP PRIORITY" TO TAX BILL'S PASSAGE

President Reagan said yesterday that he is giving "top priority" to winning passage of the tax-overhaul measure approved by the Senate Finance Committee, and he appealed to Congress to reject attempts by "special interests" to amend it.

White House officials said Reagan plans to stress the tax measure during the next few weeks in speeches devoted to the theme that Administration policies are especially beneficial to young Americans, a target group for Republicans in this year's elections.

(Lou Cannon, Washington Post, A12)

BOTH TAX-OVERHAUL BILLS HAVE SURPRISES IN RATES, DEDUCTIONS IN FIRST YEAR

The first year of tax overhaul would bring an unpleasant surprise to many people anticipating hefty decreases in their tax bills.

The tax-revision bill approved last week by the Senate Finance Committee, as well as one passed by the House last year, would repeal many popular deductions on the first day the law takes effect, but would not cut tax rates for individuals and corporations until six months later. The standard deduction would increase a year after the law is implemented.

(Anne Swardson, Washington Post, A1)

HOUSE BUDGET DEBATE BEGINS AS BLUEPRINT DRAWS GRUMBLES

The House yesterday opened debate on a Democrat-drafted budget for next year that has been denounced as "totally unacceptable" by President Reagan but described by House Speaker O'Neill as likely to pass on a close vote.

"This is just the early stage," O'Neill said in reference to the \$285 billion allocation for defense in the Democrat-drafted plan, \$35 billion less than Reagan proposed and \$16 billion less than the Senate approved in its version of the budget last month.

(Helen Dewar, Washington Post, A9)

U.S. PENSION COMPROMISE APPROVED

The White House and congressional conferees agreed yesterday on a retirement system for new federal workers that would save taxpayers about \$2 billion a year, create a tax-deferred savings plan to raise employees' retirement income and deny cost-of-living increases to retirees under 62.

The President has approved the agreement on the retirement bill this morning," said Constance Horner. "The bill is a terrific outcome, fair to both taxpayers and employees." (Judith Havermann, Washington Post, A1)

U.S. MAY BOOST SHUTTLE'S MILITARY ROLE

An Administration task force is expected to recommend to President Reagan that the space shuttle no longer compete to launch commercial and foreign satellites as part of a major policy shift to make room for the backlog of military payloads, according to Administration sources.

A White House official said not all commercial satellites would be shifted off the shuttle, but that it was likely there would be "a mix" of commercial and military payloads in the future. He said he could not be more precise. (Michael Isikoff & David Hoffman, Washington Post, A1)

DEAVER'S ROLE IN EFFORT FOR D.C. BASEBALL STUDIED

A preliminary inquiry by the FBI into the activities of Michael Deaver will include Deaver's role in obtaining a letter from President Reagan endorsing the return of major league baseball to Washington, government sources said yesterday.

White House counsel Peter Wallison told presidential aides in a memo this week that the FBI was also looking into the circumstances surrounding the baseball letter. A source familiar with the activities of the Deaver firm said Fred Fielding had given prior approval to sending the baseball letter. (David Hoffman, Washington Post, A3)

White House Memo Warns Aides To Watch Their Conduct

Peter Wallison has warned White House aides in a lengthy memorandum to "review standards of conduct" governing their contacts with other government agencies.

Senior Administration officials said the memorandum indicates a heightened sense of concern about ethical issues in the White House in the wake of publicity surrounding Deaver, who has denied any wrong doing.

(Mark Tapscott, Washington Times, A1)

AVIATION AGENCY CAN'T ASSURE SAFETY, HILL TOLD

The FAA "cannot say with assurance that airlines are complying with safety regulations," the GAO told Congress yesterday. GAO Associate Director Herbert McClure said management shortcomings, inadequate training and lack of universally understood standards also make the FAA ill-prepared to add much-needed inspectors.

While the FAA has taken "real steps" to address those problems, McClure said, it is caught between the need to do more and insufficient information to decide what should be done. The FAA is "in a hole and needs to get out of that hole," he said.

(Douglas Feaver, Washington Post, A1)

FAA Says Airline Inspections Are Better Than Ever, But Critics Disagree

The FAA says it's ferreting out unsafe airline practices aggressively and better than ever, but some critics say the agency is playing for headlines while others see its airline inspection program as too weak.

The FAA, which in the past has been subject to sharp criticism from the GAO, disputed much of the congressional investigator's findings, although acknowledging there are still problems that need to be corrected.

(Josef Hebert, AP)

EDITOR'S NOTE: "Managing The News -- Good, Bad And 'Teeny-Tiny', Larry Speakes offers reporters a lighthearted insight into how the government manages the news," appears on page A19 of the Washington Post.

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NETWORK NEWS SUMMARY

(Wednesday Evening, May 14, 1986)

SOVIET NUCLEAR ACCIDENT

CBS's Dan Rather: ...Mikhail Gorbachev has had nothing to say about the accident in public, not even to the Soviet public. Today, Gorbachev finally appeared on Soviet television to proclaim the worst is behind us.

CBS's Wyatt Andrews reports from Moscow Mikhail Gorbachev praised the heroism of the workers who reacted to the disaster and he announced a new death count -- nine dead and 299 hospitalized.

(Soviet TV coverage: Mikhail Gorbachev.)

He admitted the radiation levels are still high and said the government informed the world immediately. Gorbachev praised two American doctors by name and thanking them for their work. However, he was aggressive in his criticism of the Western press -- saying that a campaign had been mounted to discredit Soviet peace initiatives and the West used Chernobyl to slander the Soviets credibility. Also, he announced a unilateral nuclear test ban -- he said the nuclear arsenals of the world are far more powerful than Chernobyl. He offered to meet President Reagan anytime, anywhere to discuss a moratorium, including Hiroshima; if the President will see him there.

Rather reports President Reagan's response to Gorbachev's claims -- that the West was trying to milk the Chernobyl accident -- wasn't true and is deplorable. Regarding Gorbachev's arms control invitation, the White House said it was nothing new. (CBS-LEAD)

ABC's Peter Jennings: It took a full 18 days before Mikhail Gorbachev made any public pronouncement on the nuclear disaster at Chernobyl. Today on Soviet television, Mr. Gorbachev said the accident has deeply affected the Soviet people and as he put it, disturbed world opinion. He told his fellow countrymen that the worst is now behind them.

ABC's Dean Reynolds reports from Moscow Mikhail Gorbachev first public comment on Chernobyl led off the Soviet evening news.

(Soviet TV coverage: Mikhail Gorbachev.)

He told his countrymen the accident claimed nine lives and injured 299 others and he tried to explain what went wrong at the reactor. He praised the cleanup efforts at the Chernobyl site. Gorbachev thanked his Socialist bloc allies for their solidarity in the face of the crisis and he expressed his gratitude to the team of American doctors performing emergency bone marrow surgery on the victims. However, his mood changed when discussing how the Reagan Administration, the Western allies and the Western press responded. Also, Gorbachev said he will extend the unilateral moratorium on nuclear testing until Aug. 6 of this year and made a renewed offer to meet President Reagan without delay in the capital of any European country or in Hiroshima to work on an agreement on banning nuclear tests.

Jennings reports the White House reacted fairly quickly to Gorbachev's statements and was not at all pleased with his charge that the U.S. has been spreading false information about Chernobyl. A spokesman said we are distressed that Gorbachev used the occasion to make unfounded charges against the U.S. There was little enthusiasm expressed for Gorbachev's decisions to extend the moratorium on nuclear testing. (ABC-LEAD)

NBC's Tom Brokaw: Mikhail Gorbachev called Chernobyl our misfortune when he went on television from Moscow tonight -- his first public comments on this nuclear disaster. He raised the death toll by one, expanded the number of those injured and blamed the Western press for exaggerating the problem. As Steve Hurst reports now, he also attempted to use the Chernobyl accident as an opening to wider talks in the use of nuclear power.

NBC's Steve Hurst reports from Moscow Mikhail Gorbachev said nine people were now dead and the number of those hospitalized with radiation sickness had increased to 299. Gorbachev said a power surge led to the accident and charged Washington and the Western news media with lying about the accident. His major points of his speech were: A continuation of the Soviet moratorium on nuclear testing until Aug. 6; a new invitation to President Reagan to meet anywhere in Europe or in Hiroshima to sign a nuclear test ban treaty; and a call for a conference in Vienna to set up a better international system to warn the world in case of nuclear accidents.

Brokaw reports there was a statement at the White House saying that the U.S. is comforted by Gorbachev's statement that the worst is now over, but his call for a test ban treaty was rejected. The White House accused Gorbachev of making unfounded charges, saying there had been no effort by this country or its allies to make political capital out of Chernobyl. As for Gorbachev's criticism of the Western press, the White House said if there were mistakes in reporting, they were the result of the extreme secrecy by the Kremlin.

BROKAW DISCUSSES THE U.S.-SOVIET RELATIONS WITH WILLIAM HYLAND

Brokaw: What about the chances for an overall summit meeting this summer between the President and Gorbachev? Are they affected at all by Chernobyl?

Hyland, editor of Foreign Affairs: Probably not for this summer, but I think the chances of a summit meeting have improved....

Brokaw: Will this affect his grip on power within the Soviet Union?

Hyland: Not in a general sense, but I do think it weakens him....

Brokaw: Do you think there is a chance the U.S. and the Soviet Union can get together on this question of peaceful use of nuclear power and the safety questions involved?

Hyland: I think so. After all, this is basically an American proposal.... (NBC-LEAD)

NBC's John Chancellor's commentary: Four decades of the nuclear age have trained the public to expect a catastrophe in the event of a nuclear accident. (NBC-12)

U.S. DIPLOMATS EXPELLED

Rather reports Moscow said today that it has expelled a U.S. diplomat for spying. The U.S. Embassy said the diplomat left Moscow last Saturday. Reagan Administration aides declined any other comment. (NBC-2, ABC-2, CBS-2)

ISRAEL-SYRIA

Jennings: ...Secretary Shultz weighed in on the subject today.

ABC's Jeanne Meserve reports Secretary Shultz said there is very real threat of war between Israel and Syria.

(Shultz: "There is a big Syrian buildup. They have been sending their fortifications forward in Lebanon and it is a highly tense situation -- there is no doubt about it.")

He urged restraint on both sides.

(Shultz: "We don't believe a war between Israel and Syria would serve either party's interest and we have cautioned against it.")

Shultz hedged on reports that Syria is involved in efforts to free the American and French hostages being held in Lebanon.

(Shultz: "Is there hardly any way to tell that whether any party is playing a constructive role on matters of that kind until we have the hostages released.")

The Administration backed off a comment made yesterday by Deputy Secretary of State John Whitehead that is no reason to doubt Syrian involvement in terrorist attacks in Britain and Germany. Spokesman Larry Speakes said today there is no conclusive proof of Syrian involvement. (ABC-3)

GULF OF OMAN

Rather reports the Pentagon says a U.S. Navy destroyer intercepted an Iranian frigate two days ago after determining the Iranians were planning to board and search an American merchant ship. The Pentagon says the U.S. destroyer repeatedly asked the Iranian warship by radio to move on and it eventually did. (ABC-8, CBS-7)

AIRLINE SAFETY

ABC's Bettina Gregory reports the FAA took a lot criticism today by the House Aviation subcommittee. The GAO delivered a report to the congressional subcommittee which was a complete indictment of the FAA's inspection program for airline safety regulations. The report said the FAA does not know what airlines are being inspected or what the inspections show and new inspectors are not being given enough training. Also, FAA handbooks and manuals are outdated and obsolete. In addition, the National Transportation Safety Board blamed recent near air traffic misses on air traffic controller errors. The board charged the FAA with poor training of the controllers and not enough supervision. (NBC-5, ABC-5)

CBS's Steve Young reports from New York that Pan Am has told the public and warned would-be terrorists that they are prepared to meet force with force -- the airline has its own specially trained and beefed up security force. (CBS-6)

NASA

Brokaw reports NASA looked ahead to the 1990s for the construction of a \$8 billion manned space station. It would be a joint venture with Western Europe, Japan and Canada. NASA said it will take 14 shuttle flights to build the station and by the ninth flight in 1994, it could be permanently manned. (NBC-6)

DRUGS-U.S.

ABC's Bill Greenwood presents a special segment on the U.S. government's new technique on the war against those people who make money from selling drugs. In order to take the profit from pushers, the 1984 Federal Crime Control Act now orders marshals to seize and sell property bought with drug money and the proceeds go to the U.S. Treasury; unless the criminals can prove the property was financed from legitimate sources. (ABC-10)

U.S. DRUG EXPORTS

Rather reports the Senate voted overwhelmingly to allow U.S. makers to sell medicines overseas that have not received federal approval for sale here at home. Also, the Senate bill provides for stricter quality control of infant formulas sold in the U.S. and overseas. (CBS-10)

SAUDI ARABIA-BANKS

CBS's Bernard Goldberg reports from New York that Saudi Arabia's economy is in trouble due to the low oil prices -- hundreds of companies are on the brink of bankruptcy. In response, the Saudi businessmen are stiffing their creditors, saying it's against their religion to pay interest on loans and that could cost banks, including many American banks, three to five billion dollars. (CBS-8)

MICHAEL DEAVER

Brokaw reports Michael Deaver has returned his White House pass, stopped using the White House tennis courts and no longer gets copies of the President's personal schedule. Deaver said the move was aimed at averting possible embarrassment to Mr. Reagan. (NBC-8)

POW SCHOOL

NBC's Fred Francis presents a special segment on POW school -- an Army program to teach soldiers how to avoid and how to survive being prisoners of war. (NBC-9)

ANDRAI ARTUKOVIC

CBS's Terry Drinkwater reports a court in Yugoslavia ruled today that Andrai Artukovic must die for war crimes as a top level Nazi collaborator. (NBC-11, ABC-6, CBS-3)

EDITORIALS/COLUMNISTS

TAX REFORM

Lower Rates Or Lower Taxes? -- "Keep this in mind in the months ahead as Congress moves closer to approving a radical change in tax laws: Cutting tax rates doesn't necessarily mean lower taxes for any particular individual."
(Chicago Tribune, 5/14)

Supply-Side Triumph -- "As one chagrined lobbyist acknowledged last week, 'any bill endorsed by both Jack Kemp and Ted Kennedy has a future.' Tax reform still is not a certainty, but it appears more and more to be the sort of irresistible force Victor Hugo had in mind. That's the best news the American taxpayer has heard in half a century."
(San Diego Union, 5/10)

Hope For Real Tax Reform -- "The amazing thing is not that the Senate committee's bill has some flaws but that it has so many good points. It is possible that fairer, simpler taxing designed to be 'revenue neutral' could really produce more taxes for government at lower rates simply because the new plan might help the economy to grow."
(Chatanooga News-Free Press, 5/8)

Senate Committee's Tax Bill Revives Chances For Reform -- "Unfortunately, the committee wasn't equally bold when it came to special tax breaks for oil and gas drillers -- and for the timber industry that plays such a big role in Senator Packwood's Oregon. But the amount of such favoritism is minimal, and the bill is a vast improvement over existing law. The plan's very fairness means it likely will face stiff opposition from senators whose home-state industries would lose special tax benefits. But President Reagan promises to throw his considerable weight behind the bill when it reaches the Senate floor. So the once-gloomy prospects for a fairer and simpler tax code have brightened immeasurably. For that, Americans can thank Senator Packwood, who has redeemed himself after a faltering start on the road to genuine reform."
(Louisville Courier-Journal, 5/11)

The Bottom Line: It's What Matters Most In Income Tax Reform -- One more thing: Repealing the deductions the first day the new law goes into effect and phasing in the new lower rates six months later is a tax increase, however you look at it. It would be far fairer -- and simpler -- to make all the changes at once."
(Detroit Free Press, 5/13)

Miracle On Capitol Hill? -- "It sounds almost too good to be true. We shall have to wait and see what comes out of the congressional sausage-grinder, but so far the odor is more savory than anyone, a few weeks ago, would have thought."
(Dallas Morning News, 5/13)

Tax Bill Is Real Reform -- "All in all, the value of this reform effort lies not only in the tax reductions it would bring most individual taxpayers but in the effect it would have on future spending decisions. It reduces the tax reward for spending and is at least neutral, if not encouraging, toward saving.... But it deserves public support along the way as a definite improvement over the current tax system."
(Oregonian, 5/8)

Packwood Plan Has Merit But Faces Hurdles -- "No tax revision could make everyone happy. But the Packwood committee has moved the nation several steps closer to a slightly more simple, and perhaps more fair, tax system. For that it deserves credit." (Fort Worth-Star Telegram, 5/9)

Packwood's Bridge -- "We do not oppose Packwood's bill. We simply ask, let us give more attention to this immensely complex bill which suddenly bloomed in Washington like the proverbial tooth fairy. And let us ask the hard question which Packwood himself asked before he became so enamored with his new bridge, which is: Would we be better off to keep the old system, making only the necessary adjustments to give tax relief to the working poor while eliminating the most egregious tax shelters for the rich?" (Baltimore Evening Sun, 5/8)

SAUDI ARMS SALE

Reverse Saudi Arms Vote -- "United States -- and, therefore, Western -- influence with Saudi Arabia has depended, among other things, on periodic weapons assistance. For justifiable strategic, diplomatic and economic reasons, that arrangement should not be disrupted. Rather, the President ought to invoke his veto, and enough House and Senate votes should be reversed to sustain it." (Salt Lake Tribune, 5/9)

Support Reagan On Saudi Sale -- "The Congress should allow the President to exercise his judgment in this matter while carrying out his constitutional responsibility as the organ of this country's foreign relations. A president who does not enjoy the confidence and respect of his own Congress in handling these matters can hardly expect to have the confidence and respect of foreign powers, and so would not be able to act, as Alexander Hamilton put it in the 55th Federalist Paper, 'with an equal degree of weight or efficacy.' The root of most terrorism today is in the Middle East, and a weakened president overruled by a Congress perceived as hostile to all Arabs would never be able to get at the root and work out a just and lasting peace in that troubled region."

(San Diego Tribune, 5/10)

Blocking Saudi Arms Sale Is Shortsighted Politics -- "Whatever the historic grudges against Arab oil producers, the fact is that Arab states do behave differently. While the Saudis may not have advanced peace in the region, they have not blocked it. That puts them in a different class from Libya and Syria. It would be unfortunate if congressional awareness of that critical difference came only with a change of one or more oil states to radical rule. President Reagan will veto the resolution, and it is to be hoped that cooler congressional heads will muster enough votes, at least in the Senate, to prevent his veto from being overridden, thus allowing the sale to go through." (Philadelphia Inquirer, 5/14)

MARCOS

We've Had All We Can Take! -- "Enough already! We've just about had it with all the trials and tribulations of Ferdinand and Imelda Marcos. Why won't they just shut up and go away somewhere? It's not as if they can't afford the price of a plane ticket.... We'd like to think this saga is about to end, but we've got a sinking feeling that we won't be so lucky."

(Galveston Daily News, 5/2)