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FRIDAY, MAY 23, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

House Passes Bill To Tighten Rules On Trade, 295-115 -- The House of Representatives brushed aside President Reagan's stern warning today and decisively adopted a wide-ranging revision of the nation's trade laws.

(New York Times, Washington Post, Reuter)

President Rejects Kemp Request To Fire Envoy Habib -- Rep. Jack Kemp yesterday called on President Reagan to immediately oust Central American special envoy Philip Habib. In a letter hand-delivered to the White House, Mr. Kemp said the veteran diplomatic troubleshooter "has become personally identified with a policy direction that cannot be sustained."

(Washington Post, Washington Times, AP)

NATIONAL NEWS

CRITICS: REAGAN'S UNDERSTANDING OF HUNGER PROBLEM 'LIMITED' -- Critics say President Reagan's statement that the nation's hungry have inadequate knowledge about food programs only highlights his Administration's refusal to make that information available. (AP, UPI)

NETWORK NEWS (Thursday Evening)

TRADE -- The House voted for strong barriers against foreign imports.

HUNGER -- President Reagan drew some fast and furious reaction to his most recent statements about why some Americans go hungry.

SOCIAL SECURITY -- Social Security recipients may get a cost of living increase next January.

FROM THE INTERNAL REVENUE CODE

"The last sentence of Section 509A of the Code -- 'For purposes of Paragraph Three, an organization described in Paragraph Two shall be deemed to include an organization described in Section 501C 4, 5, or 6, which would be described in Paragraph Two if it were an organization described in Section 501 C 3.' Now, I think that says it all."

(President Reagan in remarks to the American Retail Federation, 5/22)

## INTERNATIONAL NEWS

### TRADE BILL PASSES BY BIG MARGIN

The House yesterday overwhelmingly approved a far-reaching Democratic bill to toughen laws against unfair trade practices and force other countries to reduce "excessive" trade surpluses with the United States.

Despite heavy Administration pressure, 59 Republican legislators -- largely from states with industries that have been hard hit by imports -- voted for the bill, which President Reagan denounced as "anti-trade" and "rankly political."

(Stuart Auerbach, Washington Post, A1)

### House Passes Bill To Tighten Rules On Trade, 295-115

The House of Representatives brushed aside President Reagan's stern warning today and decisively adopted a wide-ranging revision of the nation's trade laws.

The vote was 295 to 115, as 59 Republicans supported the measure and only 4 Democrats opposed it.

Speaker O'Neill predicted that if the President rejects such a bill on the eve of election, Congress will vote to override his veto.

(Steven Roberts, New York Times, A1)

### Trade Bill Sweeps Through House Despite Reagan Warning

A veto threat hovered over major trade legislation containing curbs on imports that swept to House approval despite President Reagan's warning it was guaranteed to "plunge the world into a trade war."

Described by Reagan as "openly and rankly political" and by an aide as "an A-1 candidate for a veto," the trade bill cleared the House on a 295-115 vote Thursday and headed for the Senate. (Mike Robinson, AP)

### House Sends Trade Signal To Reagan, Foreign Exporters

House Democrats, approving a trade plan denounced by President Reagan as protectionist, say their bill sends the world a message to buy more U.S. goods and play fair in trade or face certain retaliation.

The full House yesterday approved the controversial trade bill on a vote of 295 to 115. It picked up 59 Republicans from states like Pennsylvania, hard hit by steel imports, and North Carolina, suffering from foreign textile imports.

(Jacqueline Frank, Reuter)

### Japan Will Try To Stop U.S. Trade Bill

TOKYO -- Japan vowed today to try to stop a new U.S. trade bill it branded as protectionist from going through Congress after yesterday's approval by the House of Representatives.

"The House Omnibus Trade Bill...has strong protectionist overtones, and Japan is alarmed at such a protectionist movement in the Congress," a Foreign Ministry statement said. "Japan...will exert its utmost efforts to prevent final enactment."

(Reuter)

## U.S. REAFFIRMS DESIRE FOR A LATIN PEACE PACT

The Reagan Administration, addressing "confusion in other quarters," yesterday reaffirmed its support for a comprehensive and enforceable Central American regional peace treaty and for President Reagan's special Central American envoy, Philip Habib.

Larry Speakes told reporters that "the position of the United States has remained constant" through a hailstorm of critical position papers, letters of advice and expressions of alarm from conservatives and the Pentagon that has intensified as prospects of a treaty-signing have increased.  
(Joanne Omang, Washington Post, A19)

### President Rejects Kemp Request To Fire Envoy Habib

Rep. Jack Kemp yesterday called on President Reagan to immediately oust Central American special envoy Philip Habib. In a letter hand-delivered to the White House, Mr. Kemp said the veteran diplomatic troubleshooter "has become personally identified with a policy direction that cannot be sustained."

Soon after Mr. Kemp's written request was received, Larry Speakes issued a statement strongly supporting the embattled Mr. Habib, who is seeking a diplomatic solution between the Marxist Sandinista government and the Nicaraguan resistance forces.

(Christopher Simpson, Washington Times, A1)

### White House Supports Habib, But Policy Disarray Continues

The White House rejected a plea by House conservatives to fire Central American envoy Philip Habib, but a senior Administration official added to the confusion over Administration policy by suggesting Habib went too far in seeking a peace agreement in Nicaragua.

A senior White House official told reporters Thursday that Habib may have been imprecise in an April 11 letter in which he pledged a halt in military aid to the U.S.-backed contra rebels upon the signing of a peace agreement that fulfills American objectives.  
(Gregory Nokes, AP)

## CONTRAS DEBATE HOW TO WIDEN GROUP'S APPEAL

MIAMI -- Top Nicaraguan rebel leaders are debating how to broaden their political appeal in light of a widespread perception that their movement is dominated by those loyal to the deposed dictator, Anastasio Somoza Debayle, according to several rebel and congressional sources.

The issue, on which the rebels are deeply divided, is said to be a focus of talks that began here a week ago. Also under discussion at the talks, which are sponsored by the Reagan Administration, is the question of how to insure civilian control of guerrilla military units, the sources said.  
(James LeMoyne, New York Times, A1)

### SHULTZ'S FOREIGN-AID PLEA LEADS TO STIFF EXCHANGE

Secretary of State George Shultz had a stiff exchange yesterday with members of the House Foreign Affairs Committee over his drive for additional foreign aid funding.

Led by Chairman Dante Fascell, committee members "told him he was preaching to the choir," according to a staff member who was present. The aide said Shultz replied: "I just want you to sing louder."

Fascell reminded Shultz that his committee had warned the State Department in February that budget restrictions would hurt foreign aid, "but we didn't get much help" in calling President Reagan's attention to the problem. (Joanne Omang, Washington Post, A29)

### REAGAN HAS SHORT AGENDA FOR MEMORIAL DAY HOLIDAY

President Reagan, in Washington for the Memorial Day weekend, has put domestic and foreign matters on hold for the holiday, as hopes faded for a summer summit with Mikhail Gorbachev.

A senior Administration official said Thursday that a summit "will not occur" this summer, but indicated that a Reagan-Gorbachev meeting is still possible after the congressional elections early in November.

The President, turning his attention from legislative matters, planned to sign a "Hands Across America" proclamation Saturday on aid to the hungry and homeless. His weekly radio address will also discuss the plight of the needy, Larry Speakes said. (Helen Thomas, UPI)

### NERVE GAS PROPOSAL APPROVED

BRUSSELS -- NATO defense ministers today endorsed a set of alliance military plans that could clear the way for the United States to produce a new generation of chemical weapons despite persistent objections from several allies.

U.S. Defense Secretary Caspar Weinberger hailed the decision to adopt about 1,500 "force goals" as a major step toward strengthening the conventional defense of NATO. Force goals are each nation's goal for the number and capability of forces it will have ready to fight.

(William Drozdiak, Washington Post, A1)

### 46 SENATORS DEMAND SLASH IN 'STAR WARS'

In a severe challenge to President Reagan's "Star Wars" missile defense plan, 46 senators yesterday demanded a huge cutback when the Senate Armed Services Committee sets budget ceilings on Pentagon programs next month.

The bipartisan coalition called for no more than a 3 percent after-inflation increase for SDI rather than the 74 percent rise Reagan requested for fiscal 1987, the budget year starting Oct. 1.

(George Wilson, Washington Post, A1)

### Star Wars Letter

Forty-six senators are calling for major cutbacks in President Reagan's "Star Wars" program, arguing that the futuristic space defense plan is eating up too much of the Pentagon's budget, Sen. Patrick Leahy said Thursday night.

In a letter to Sen. Barry Goldwater and Sen. Sam Nunn, the bipartisan coalition of senators urged that "Star Wars" spending hikes be held to 3 percent after inflation -- a fraction of the increase sought by the Administration. (AP)

### SDI GAINS BACKING OF CHIRAC

PARIS -- Premier Jacques Chirac gave unqualified backing yesterday to President Reagan's SDI in what appeared to mark a major shift in French policy. "This movement is irreversible and it is justified.... France cannot afford not to be associated with this great research program," Chirac said. (Washington Times, A6)

### TERRORISTS IN SYRIA CONCERN U.S.

The State Department expressed concern yesterday about Syria allowing terrorists to move freely in its territory and said that as long as President Hafez Assad continues that practice, the United States will keep Syria on its list of countries that abet international terrorism.

"Syria remains on our terrorism list," Bernard Kalb said. "U.S. policy on terrorism is well understood. We have demonstrated we are steadfast in countering terrorism and stopping it. Our policy applies to the perpetrators of terrorism and whatever state sponsors terrorism."

(Washington Post, A26)

### CUBAN-BACKED FRONTS EVADE U.S. EMBARGO

An international network of corporations secretly owned by Cuba routinely evades the U.S. embargo and gives the Castro regime access to badly needed technology, medical equipment and American-made spare parts, U.S. intelligence sources say.

As many as 130 such fronts also provide cover for Havana's covert operations, including the purchase and transportation of arms to Latin American insurgents, the sources told The Washington Times.

(Roger Fontaine, Washington Times, A1)

### MEXICO IS THIRD NATION TO SEVER CONTRACT WITH DEEVER FIRM

The government of Mexico has canceled its two-year contract with the lobbying firm of Michael Deaver, the former deputy White House chief of staff. The move makes Mexico the third foreign country to sever its ties with Mr. Deaver since conflict-of-interest allegations against him surfaced earlier this year.

(George Archibald, Washington Times, A1)

CARMEN RESIGNS AS U.S. ENVOY TO U.N. IN GENEVA

Gerald Carmen, the U.S. permanent representative to the U.N. at Geneva, resigned yesterday, effective Aug. 31. According to a source close to Carmen, who spoke on the condition that he not be identified, Carmen explained to President Reagan in a private meeting at the White House that, after serving the Administration since its inception, he wanted to return to the political arena. He reportedly told the President that "he thought he could do more for the conservative agenda outside the government."

(Washington Post, A28)

## NATIONAL NEWS

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### CRITICS: REAGAN'S UNDERSTANDING OF HUNGER PROBLEM 'LIMITED'

Critics say President Reagan's statement that the nation's hungry have inadequate knowledge about food programs only highlights his Administration's refusal to make that information available.

"My major reaction is that it's kind of tragic the President's understanding is so limited," Robert Greenstein of the Center on Budget and Policy Priorities, said Thursday.

Reagan's remark comes in the same week he will sign a resolution recognizing the "Hands Across America" anti-hunger campaign. Reagan also is to discuss the topic in his weekly radio address.

(Sonja Hillgren, UPI)

### Communities Extending Helping Hands To 'Hands Across America'

LOS ANGELES -- State and local governments are extending helping hands to organizers of Sunday's "Hands Across America" demonstration by providing millions of dollars worth of police protection.

While many cities used to handling big crowds do not expect "Hands Across America" to generate large security costs, others have had to ante up additional money to cover the human anti-hunger chain, which will stretch through 500 cities and towns along its 17-state route, organizers say.

(Richard De Atley, AP)

### TREASURY SECRETARY SEES OBSTACLES FOR TAX PLAN

Despite widespread public applause for the sweeping tax-overhaul plan the Senate will take up in two weeks, Reagan Administration officials are insisting the proposal has obstacles to overcome, including the sticky political issue of raising more revenue than current law would during the first year.

Treasury Secretary James Baker yesterday said, "You ought not, in my opinion, simply think this is a done deal, because it isn't." Not only are numerous amendments to restore deductions expected on the Senate floor, but the bill's first-year revenue gain could cause political problems for the Administration.

(Anne Swardson, Washington Post, A6)

### GSA WOULD HALT MOST SMOKING IN ITS BUILDINGS

The General Services Administration yesterday proposed an almost total ban on smoking in the 6,800 buildings it owns or leases. The proposal would affect about half of the government's 2.8 million civilian workers, and most of the 350,000 employees here.

The ban would not apply to most buildings used by the Defense Department and U.S. Postal Service because they are not GSA-owned or leased. However, the rules would apply at the Pentagon, which has 23,000 civilian and military personnel, because it is a GSA-controlled building.

(Mike Causey, Washington Post, A1)



#### SPEAKER O'NEILL/PRESIDENT REAGAN

House Speaker Thomas O'Neill thinks that Jimmy Carter was the "most brilliant" president he's known, Richard Nixon the "best prepared," and Ronald Reagan "the most beloved man in the history of the country."

But, according to O'Neill, Carter was surrounded by incompetents, Nixon with "strange people" and mistrust, and Reagan with some bad ideas.

As for his favorite, who was "only president 1,000 days," O'Neill said, "Jack Kennedy would have changed the world; he did change the world to a degree."

As for Reagan, O'Neill said, "The man is loved, no question about it, the man is loved. He's a smart, shrewd politician. He has a charisma about him, a charm, he radiates a confidence."

But, O'Neill said, despite his kind feelings toward Reagan personally, "we have our disagreements." He said he feels obliged to "speak my mind" to the President, lest his silence be taken for assent.

(Jonathan Tilove, Newhouse News Service)

#### SPACE SHUTTLE

President Reagan, prodded by his new NASA administrator to avert dire consequences to the nation's economic and scientific future, is expected in the next few days to approve construction of a replacement for the space shuttle Challenger, Administration officials say.

"Chances are -- yes, we will go for a fourth orbiter," a senior White House official said Thursday. "But in the meantime, we have a lot of questions to ask that have been asked, and we have answers that are due," added the official, who spoke only on condition he not be identified.

Larry Speakes said Thursday he expects Reagan to make a decision on a new orbiter "in the next few days."

(Harry Rosenthal, AP)

#### NEW NASA HEAD ASSAILS CRITICAL NEWS COVERAGE

Dr. James Fletcher, newly reinstalled as NASA administrator, charged yesterday that some members of the news media "have acquired a deep and unwarranted suspicion of NASA" and that their distorted coverage could do "irreparable damage" not only to the agency and the space program but to the nation.

In the text of a speech prepared for delivery to an aerospace industries group in Williamsburg, Va., Fletcher said embattled NASA was not just "another government agency," but a symbol of American aspirations and a "vital national asset."

(Kathy Sawyer, Washington Post, A3)

#### ON HILL, ENGEN DEFENDS FAA'S RECORD ON SAFETY

FAA chief Donald Engen, seeking to blunt criticism that his agency is poorly equipped to guarantee airline safety, told Congress yesterday that the FAA has made "tremendous strides" toward meeting the challenges posed by airline deregulation.

"The whole world believes we're not doing our job," Engen said. "That's false and misleading and tends to tear the moral fiber of our inspection effort.... We're doing the best we can."

(Douglas Feaver, Washington Post, A4)

#### NTSB CHAIRMAN MAY BE REPLACED

The White House is deciding whether to replace Jim Burnett as chairman of the National Transportation Safety Board while permitting him to continue as a board member. Burnett has frequently criticized the Transportation Department over safety issues.

Albert Brashear, deputy White House press secretary, was asked why the Transportation Department was screening safety board nominees. "It might not have been for approval, just a call for collegiality," Brashear said. He said "we are still considering" who should be chairman, but that Burnett is in the running. (Douglas Feaver, Washington Post, A4)

#### ADMINISTRATION WON'T OPPOSE SOCIAL SECURITY BENEFIT RISE

The Reagan Administration signaled yesterday that it would not resist congressional efforts to grant 37 million Social Security recipients cost-of-living increases next January, even if inflation falls below the 3 percent rate that, by law, "triggers" such increases.

"We've had a significant savings from the lowering of inflation and people on Social Security should have some sharing of that," OMB Director James Miller told reporters following a speech to the U.S. Chamber of Commerce. (AP story, Washington Post, A5)

#### SKELLY WRIGHT TO LEAVE BENCH; ISSUED DESEGREGATION RULINGS

U.S. Appeals Court Judge J. Skelly Wright, who ordered New Orleans schools desegregated in 1960 and seven years later threw out the District schools' notorious "track" system, has notified President Reagan that he will leave his post June 1 and take senior, or inactive, status.

Wright, 75, for years the legal overseer of every aspect of D.C. schools' desegregation, told the President that his current health and advancing age were the main reasons for his departure.

(Nancy Lewis, Washington Post, A1)

#### SOUTH STANDS AS DOORKEEPER TO PORTALS OF THE WHITE HOUSE

ATLANTA -- The simple secret of presidential politics in this era, recognized by few politicians and even fewer voters, is this: As the South goes, so goes the nation.

In every presidential election since 1956, the candidate who has won the largest number of electoral votes in the 11 southern states has walked into the White House. That is true of no other region. The Midwest and the West voted for losers in 1960 and 1976; the Northeast, in 1968. But not since the Dwight Eisenhower-Adlai Stevenson contest in 1952 have Dixie voters ended up on the losing side.

(David Broder, Washington Post, A1)

EDITORS NOTE: "To Southern White Youth, Ronald Reagan Heads The Class," by Bill Peterson, appears in the Washington Post, A10.

## NETWORK NEWS SUMMARY

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(Thursday Evening, May 22)

### TRADE

CBS's Dan Rather: The House voted today for strong barriers against foreign imports. Dozens of Republicans deserted President Reagan and joined Democrats to give this trade policy overhaul bill overwhelming approval. They say it will save American jobs. President Reagan says the measure will only bring foreign retaliation and is an A-1 candidate for veto.

CBS's Phil Jones reports the frustrated politicians were firing at each other.

(President Reagan: "The House bill would cost American consumers billions and undercut the millions of American jobs connected with foreign trade.")

(Rep. Rostenkowski: "The Administration clearly opposes any congressional meddling in trade affairs.")

But meddle Congress did, the House overwhelmingly passing 295-115 a sweeping trade reform bill. Fifty-nine Republicans even broke with the President. Mr. Reagan is specifically upset by provisions that would force him to retaliate where U.S. firms are harmed by unfair trade and require such nations as Japan, Taiwan and West Germany to reduce their exports to the U.S. by 10%.

(President: "Indeed, it would plunge the world into a trade war, eroding our relations with our allies and free world trading partners.")

Critics claim that all the closed plant gates around the nation are caused by Reagan trade policies and that an estimated 2 million American jobs have been lost due to foreign imports.

(Speaker O'Neill: "This Administration has been hard of hearing on the trade issue.")

But Secretary Brock, a former trade negotiator, said the problem is we got a little bit fat and sassy and sloppy.

(Brock: "We began to blame everything on the Japanese. The Japanese didn't make the bad management, the Japanese didn't cause the quadrupling of absenteeism on Mondays and Fridays during hunting season.")

The Senate will not go along with the House, but Democrats think they have a hot political issue and they are hoping voters will blame Republicans for millions of Americans losing their jobs. (CBS-Lead)

ABC's Peter Jennings: For the second time this week, President Reagan is ready to veto a piece of legislation he doesn't like and doesn't think good for the country. The House has passed a bill designed to cut back on foreign imports. Mr. Reagan is an out-and-out free trader. As Charles Gibson reports, the House says it's protecting American jobs.

-more-

ABC's Charles Gibson reports it is a bill designed to force the President to get tough with America's trading partners.

(Rep. Wright: "The trade drain is gnawing like a cancer at the vital organs of the American economy.")

Republicans countered that the Democrats are just playing politics by trying to equate trade and jobs.

(Rep. Frenzel, Minn: "This is really the centerpiece of the Democrat election-issue bill of 1986.")

But so many industries have been affected by the trade imbalance. The Canadians, for instance, heavily subsidize their lumber industry. The amount of Canadian lumber sold in this country has tripled in 10 years. The American lumber industry is screaming for relief. And American movies have been shut out of a number of countries. With trade relief, the film industry figures it could bring at least \$1 billion more into this country. Hardly any member of the House doesn't have at least one industry in his district that's been hard hit.

(Rep. McKinney, Ct.: "I've had it. I've had it with Nixon, Ford, Carter and now Reagan.")

But the President said he'd had it with this kind of bill, calling it protectionism.

(President: "It would plunge the world into a trade war, eroding our relations with our allies and free world trading partners.")

(Speaker O'Neill: "We don't believe that we're protectionist. We believe that we're patsies for the rest of the world, and we want to be fair traders.")

(ABC-Lead)

NBC's Tom Brokaw: Look around your home tonight. How much of what you use or wear is made in America and how much is imported from abroad? More and more, of course, is coming in from abroad. And those American industries losing out are putting big pressure on Congress to do something. Today the House did. It passed a sweeping trade bill designed to punish those countries that unfairly restrict the sale of U.S. products. The White House is threatening a veto, President Reagan calling this a prelude to an expensive trade war.

NBC's Bob Kur reports President Reagan denounced the bill just before today's House vote.

(President: "Indeed, it would plunge the world into a trade war, eroding our relations with our allies and free world trading partners. Economic growth in America and around the world would be the casualty.")

But with the trade deficit up from \$25 billion when Mr. Reagan took office to almost \$150 billion last year, Democrats and Republicans in the House voted with their constituents in mind. Almost 2 million have lost jobs due to foreign competition.

(Rep. Jeffords, Vt.: "We're involved in a trade war, a serious trade war, a war that we're losing.")

(Rep. Robinson, Ark.: "This Administration's trade policies are cold, cruel, arbitrary, capricious and callous.")

Congressman Alex McMillan, campaigning in a hard-hit textile district, was among dozens of Republicans who voted against President Reagan today.

Kur continues:

(McMillan: "We are saying that they are not taking the issue serious enough, that we should be negotiating harder, we should be enforcing harder.")

Democrats predict the trade issue will help them in the November elections. At national headquarters this week, congressional candidates signed up for coaching on how to use the issue. But today one prominent Democrat called the House plan a turkey.

(Sen. Gary Hart: "They're offering snake oil blending old-time protectionism and pop-industrial policy.") (NBC-Lead)

## HUNGER

Rather: President Reagan drew some fast and furious reaction today to his most recent statements about why some Americans go hungry and why, as Lesley Stahl reports, the President sees no need to give food programs more help.

CBS's Lesley Stahl: President Reagan touched off a storm of criticism when he said that hunger in America is due to poor people's lack of knowledge about available programs.

(President on Wednesday: "I don't believe that there is anyone that is going hungry in America simply by reason of denial or lack of ability to feed them. It is by people not knowing where or how to get this help.")

Critics say the President is partly right, but may have himself to blame. For example, they say, he cut off the very program designed to find the 10-15 million people who may be eligible for, but not receiving, food stamps.

(TV Coverage of people wandering streets, woman looking through garbage can.)

(Larry Brown of Harvard University: "The real reason that people are not getting food stamps is not ignorance but it's because of policies of the Administration which have put barriers in the way of people getting food stamp assistance.")

Since Mr. Reagan's first year in office, the Administration has cut funds for food stamps by more than \$6 billion, child nutrition by \$5 billion, according to the Congressional Budget Office. The White House said today there are no plans to add money to either the food or outreach programs.

(TV Coverage: Man lying down on grate within view of the White House.)

(Agriculture spokesman John Bode: "We don't feel it's necessary to have door-to-door activities to sign people up for food stamp programs because people are aware of the food stamp program.")

The President's remarks could not have come at a worse time. Hands Across America hopes to raise \$100 million this Sunday for the hungry and the homeless.

(TV Coverage: Hands Across America commercial.)

(Ken Kragan, Hands Across America organizer: "We've got to do something about it. It is not simply that people don't know.")

Hands Across America invited the President to join their chain on Sunday at the White House, but he declined. Instead, he will sign a proclamation declaring Sunday Hands Across America Day.

CBS's Terry Drinkwater investigates what happens to some of the hungry who do need help. There are some hungry who, as the President said, did not know where to go for help. And there are also those who did know where to go -- to the private relief agencies and to the public welfare offices -- needy families young and old who went to the right places but who did not get help. Bureaucracy stopped some. Confusing paperwork stopped others; forms they could not understand. Caseworkers are overworked. And there are many hungry like Jackie Jolly. She and her husband can't qualify for welfare now and for at least 60 days more because they live under a freeway bridge and cannot prove residency.

(TV Coverage shows the Jollys with their makeshift furniture under the bridge.)

Most days, she told CBS, a soup kitchen provides their single meal, and they go to bed hungry. At a charity center for the indigent, the director was outraged by what the President said.

(Betty Marcias: "When I look at the numbers of people that are coming to our centers, and hear statements like that, I think that it really demonstrates a lack of knowledge of the reality of the magnitude and scope of the problem of homelessness and hunger in America.") (CBS-2)

Brokaw: President Reagan tonight is involved in a new debate about hunger in America. The question of how many people in America are hungry and why was sharpened when the President blamed hunger on people not knowing where to get help. As Chris Wallace reports, that brought an immediate reaction.

NBC's Chris Wallace: At a soup kitchen about a mile from the White House, people were angry about Mr. Reagan's comment.

(Man: "I think the President is trying to shift the blame onto the backs of poor people.")

What Mr. Reagan said is that government and private groups are doing enough, that hunger in America does not stem from lack of food but lack of knowledge.

(President on Wednesday: "I don't believe that there is anyone that is going hungry in America simply by reason of denial or lack of ability to feed them. It is by people not knowing where or how to get this help.")

There is clearly something wrong. A Harvard task force has just found 20 million Americans get food stamps each month. But another 10-15 million who are eligible get no benefits. The task force said one problem is that in 1981, the President killed a program to tell poor people how to get assistance.

(Dr. Larry Brown of Harvard: "He proposed elimination of federal funding of the outreach funding for food stamps and that led to the very ignorance which he now turns around and laments.")

The program informed people in rural areas and elderly shut-ins. But a top official said it was a waste, that food stamps are not a big secret.

(Agriculture spokesman Bode: "I don't think it's necessary that we send people door-to-door to try to sign people up for the food stamp program.")

Wallace continues: Critics say the Administration has created other barriers for the poor -- tightening eligibility for food stamps and cutting benefits.

(Sen. Kennedy: "Perhaps the real ignorance is among those who really fail to understand the magnitude of the problem.")

And White House officials are especially upset this controversy comes just as the Hands Across America effort is getting millions of people involved in the hunger problem. The President will sign a proclamation for Hands Across America and mention it in a speech. But he won't get on the line Sunday. Organizers were willing to run that line across the lawn here, but Reagan aides say it's a security problem.

NBC's George Lewis reports the Hands Across America drive has raised \$20 million so far but has spent \$12 million, not a good ratio for a charity. It began with high expectations. Perhaps the expectations were too high. The original fundraising goal of \$100 million has been scaled down to \$50 million. Organizers concede that because of hazards along the 4,100-mile route and recruiting problems there will be gaps in the line. Some of the volunteers say it's not important whether the line is unbroken. Helping people in this country, says organizer Ken Kragan, is not just an act of charity, it is an act of patriotism as well. (NBC-2)

#### SOCIAL SECURITY

Rather reports Social Security recipients may get a cost of living increase next January after all. Especially in this election year, Congress is expected to vote to give the increase even though inflation is not 3%. Budget Director Miller said the President has no objection. (CBS-3)

#### NICARAGUA

NBC's Karen Burnes reports the men Ronald Reagan calls freedom fighters are under attack by groups who have supported and funded them, by people who have trained them, by former contra leaders. And now the contra aid program is under investigation by members of Congress.

(Sen. Kerry: "There is just too much corroboration...to not take it seriously. At least four congressional committees are examining charges of contra corruption. ABC has learned that some contras and American backers face these allegations: drug smuggling; weapons violations -- at least one shipment of weapons was apparently smuggled from the U.S. to Central America; conspiracy to commit murder -- congressional investigators were told about a plot to kill the U.S. ambassador to Costa Rica, Louis Tambs. Tambs, a tough opponent of drug smuggling, had a \$1 million price tag on his head; defrauding the U.S. Government -- a GAO report says that, of \$27 million in humanitarian aid sent to the contras, only 40% can be accounted for. Rep. Barnes issued subpoenas to 13 banks for the contras' records.

(Rep. Barnes: "I think the program is basically out of control, as I've said. And we don't know what we're doing, really. We've sent this money off and a lot of it's just basically disappeared.")

Burnes continues: The program of aid to the contras was one many people believed in, but last year it was two ardent supporters of the program who spoke out against it. They brought their concerns to Congress. Phil Mabry, a security consultant, devoted all of his spare time to collecting medical supplies and clothing to help the contras. So effective was he that Mabry earned the respect of top contra and Administration leaders. Now he charges that supplies and money are disappearing.

(Mabry: "We deserve to know where it went...and if they can't answer these questions then somebody is lying to somebody and somebody is covering something up.")

Congressman Stenholm is a conservative supporter of the contras. He has met with Mabry and he is concerned.

(Stenholm: "Especially when it comes from someone who has spent as much time and effort and as much money in helping a cause that I think needs to be helped. Certainly that has more credibility than those who are openly on the other side opposed to the aid.")

Jack Terrell heard the call of the freedom fighters and went to train them. Familiar with charges of drug and gun running, Terrell became more disillusioned as he witnessed what he described as contra atrocities.

(Mercenary Jack Terrell: "And I witnessed a 12-year-old girl get raped to death by over 20 men because her father was suspected of being a collaborator with the Sandinistas.")

Congress will call on a number of witnesses who have been involved in contra activities when they convene hearings in June. (ABC-5)

Brokaw reports the State Department has ordered two Nicaraguan diplomats in Washington to leave the U.S. by tomorrow. It was explained that the expulsions were an act of reciprocity for Nicaraguan charges that former U.S. diplomats in Managua were spies. The U.S. has denied that charge, but those four Americans have left Nicaragua. (NBC-7)

#### SRYIA

Jennings: The Reagan Administration reacted to the various reports yesterday of Syrian involvement in recent terrorist attacks in Europe. A spokesman said as long as terrorists move freely within Syria and those parts of Lebanon Syria controls, our serious concern remains. The State Department also reacted to reports from Reuters that the Soviet Union would not tolerate any attack on Syria the way the U.S. punished and attacked Libya. A Washington spokesman said to that the U.S. has discussed Middle East tensions with Moscow, but wouldn't go any further. (ABC-6)

#### SOUTH AFRICA

Rather reports four more bodies were discovered in Crossroads.

CBS's Steve Croft reports that, outraged with government reforms, the Afrikaner Resistance Movement is openly challenging the authority and legitimacy of the South African government. Despite tight security, they stormed an auditorium where Foreign Minister Pik Botha was to speak. Within minutes, whites were fighting whites in the nation's heartland. (ABC-4, NBC-3, CBS-5)



## LEBANON

Rather reports that the cease-fire in Lebanon was shattered last night and today with some of the worst fighting in Beirut in four months.

(CBS-4)

## DRUG AWARENESS

Jennings reports an estimated 1 million young people all over the country observed "Say No to Drugs Week." Seven thousand kids showed up at the Rose Bowl in Pasadena to pledge they would stay drug free, and 2,000 more gathered on the lawn at the White House and were encouraged by Mrs. Reagan to take the pledge.

(First Lady: "What will you do when someone offers you drugs?"

Children: "Just say no!" First Lady: "I can't hear you. Louder."

Children: "Just say no!")

(TV Coverage: Children release green balloons.)

Organizers of this drug awareness week said that more than 500 communities took part.

(ABC-7)

## MEXICO/DRUGS

Jennings reports witnesses at a congressional hearing today warned Mexico is now the number one source of marijuana and heroin which reaches the U.S. Much of it comes in with illegal aliens.

ABC's Dennis Troute reports lawmen say there is a new threat, illegal aliens who come here just to commit crimes. A newly-released GAO study says one in 10 felony arrests in New York now involves an alien. Today at a committee hearing in Washington, there was talk of the U.S. Army patrolling the frontier. But the military admits even half its standing army could not do the job. Thousands of known troublemakers could be deported, but the immigration service cannot keep them in custody with so little space at its disposal. Aliens who once threatened U.S. jobs are a growing security threat as well.

(ABC-8)

## FRANCE-IRAN

Brokaw reports France and Iran reportedly reached agreement on key conditions for the release of eight French hostages in Lebanon. But U.S. sources tell NBC's Anne Garrels at the State Department that one of those conditions will carry a big price tag for France: settlement of a billion-dollar loan made to a French company by Iran during the rule of the Shah.

(NBC-5)

## IRANIAN AMBASSADOR

Rather: The Iranian ambassador to the U.N. held a news conference in New York to deny he is a shoplifter. Police reports said Ambassador Khorassani was caught taking a \$99 raincoat from a Manhattan department store. Police say he was not charged because of his U.N. diplomatic immunity. The ambassador said he was only trying on the raincoat and the FBI had set him up. The FBI told CBS it would not dignify that charge with a response.

(NBC-6, CBS-6)

## STEROIDS

Rather: The government capped a year-long investigation by announcing indictments in Florida and Texas and the confiscation of \$2 million worth of steroids.

CBS's Rita Braver reports on the use of steroids. U.S. officials say an alarming number of young athletes are stoking their muscles with the drugs. (CBS-8)

## SPACE PROGRAM

Brokaw reports the ambitious goal of sending men to Mars is envisioned in a bold new plan out tonight. The report by the National Commission in Space looks to the next 50 years.

NBC's Robert Hager reports the commission proposes the U.S. establish a manned outpost on the Moon by 2005 and a manned outpost on Mars by 2015. A chart accompanying the report indicates that could amount to a \$655 billion program over the next 30 years. (NBC-8)

## MORTON THIOKOL

Brokaw reports the chairman of Morton Thiokol denies the company punished the engineers who told the President's shuttle commission they recommended against the Challenger launch, and he denies that the company tried to bury the truth about what caused the explosion. (NBC-9)

## INSECTICIDES

Brokaw reports a scientific review panel of the EPA supported EPA plans to ban the use of an insecticide that many golf courses put on their grounds, diaxanon. (CBS-12)

## WALDHEIM

Brokaw reports an Israeli government official said there now is evidence beyond any doubt that Kurt Waldheim was an accessory to Nazi war crimes. He said the evidence was based on documents from the U.N., Greece and Yugoslavia. Waldheim continued to deny these charges. (NBC-4)

## FUTURE FARMERS

Brokaw reports farm country is likely to lose many in the upcoming generation because of the farm crisis. (NBC-11)

## STOCKS

Jennings reports the Dow climbed back over the 1,800 mark. Bond prices moved higher, stocks followed, up 31 points in the heaviest trading of the week. (ABC-3)

## EDITORIALS/COLUMNISTS

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### SAUDI ARMS DEAL

Reagan should awaken Saudis by reading Riyadh the riot act -- "Saudi behavior isn't that of an ally or friend -- at times, it's the opposite. Along with the arms deal, the President must tell the Saudis loud and clear to change their ways, to replace with actions the empty words of years past -- lest Washington signal the rest of the world that active hostility to American interests is no barrier to U.S. aid."

(New York Post, 5/22)

Saudi arms deal must go through -- "It is very much in the U.S. national interest to preserve the kingdom of Saudi Arabia -- however unreliable, vacillating or even unhelpful its policies may be....America's commitment to Israel's security is not in question. But congressional opposition to Reagan's policy on the Saudi weapons is a threat to the security of the entire region."

(New York Daily News, 5/22)

### TRADE

House trade bill well worth veto -- "The omnibus trade bill in the U.S. House is a terrible piece of legislation, but most members, largely Democrats, are poised to approve it. President Reagan, thankfully, is prepared to veto it. Can he prevail? Well, he must, or Congress will bring the whole international trading system crashing down around our heads."

(Atlanta Constitution, 5/22)

Election-Year Protectionism -- "Just about the only good thing to be said for the bill is that its real goal is not passage but political point-making in an election year. The Republican Senate will probably respond with a bill only marginally less reprehensible. Then, after the inevitable veto, the Administration can get on with some very tough trade negotiations while hoping against hope that its prediction of a plunge in the trade deficit comes out right."

(Baltimore Sun, 5/21)

### SPIES

Spies Who Aren't -- "To set things straight, several additional criteria need to be added to the muddled espionage laws. Because government overclassification is endemic, a useful question would be whether the disclosed classified material was properly classified in the first place....In 1967 the Supreme Court wrote, 'Implicit in the term 'national defense' is the notion of defending those values and ideals which set this nation apart.' The government should prosecute real spies who do in fact damage the nation, but it should not interfere with those who are serving the public and causing no harm."

(Los Angeles Times, 5/22)

### CHINA

Faulty China Card -- "All of our benevolence to Red China isn't weaning it away from its Soviet counterpart. The Soviet and Chinese Communists have recently cooperated in supplying arms to North Korea, and they may be working together in Africa and elsewhere. We ought to be opposed to the Communist system everywhere, while at the least refraining from arming our natural enemy."

(Chattanooga News-Free Press, 5.18)

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