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News Summary

OFFICE OF THE PRESS SECRETARY

THURSDAY, JUNE 26, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

HOUSE VOTES, 221-209, TO AID REBEL FORCES IN NICARAGUA; MAJOR VICTORY FOR REAGAN -- The House of Representatives today handed the Reagan Administration a major victory by voting to provide military aid to the rebels seeking to overthrow the Nicaraguan government.

(New York Times, Washington Post, Washington Times, AP, UPI, Copley News Service, Reuter)

HOUSE BILL WOULD ADD ALIEN RIGHTS -- The House Judiciary Committee last night approved a major revision of the nation's immigration laws that includes controversial proposals to give major new rights to temporary foreign agricultural workers and to provide legal status quickly to large numbers of undocumented foreign farm workers. (Washington Post)

NATIONAL NEWS

FISCAL '87 BUDGET -- House and Senate budget negotiators, working into the early-morning hours Thursday, agreed on a spending framework that could lead to passage of a fiscal 1987 budget before Congress' Fourth of July recess. (Washington Post, AP)

NETWORK NEWS (Wednesday Evening)

CONTRA AID -- The House tonight is voting and the vote is expected to be very close.

U.S.-NICARAGUA/WORLD COURT -- The U.S. has been taken to the World Court by Nicaragua in claiming support for the contras is illegal.

FEDERAL HOUSING ADMINISTRATION -- President Reagan signed the bill authorizing the FHA to continue insuring home mortgages and providing the money for it.

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INTERNATIONAL NEWS

REAGAN'S AID PLAN FOR CONTRAS CLEARS KEY HOUSE HURDLE

President Reagan's embattled policy in Central America cleared a key hurdle last night as the Democratic-controlled House approved an Administration-backed package of aid for the Nicaraguan rebels.

The 221-to-209 vote reversed a House vote of 222 to 210 in March that rejected Reagan's plan to provide \$70 million in military aid and \$30 million in nonlethal "humanitarian" assistance to the counterrevolutionary rebels, or contras.

"Let's end the vacillation," House Minority Leader Robert Michel said. "Systematic delay is not a policy, it's paralysis. Let's have the guts to fight communism and nurture democracy in our hemisphere now, not later."

(Edward Walsh, Washington Post, A1)

The Contras Bag A Big One

President Reagan, prevailing over the Democratic-controlled House, last night won approval for \$100 million in aid to the Nicaraguan resistance by a stunning 12-vote margin.

Mr. Reagan hailed the victory in a speech last night at a political fund-raiser in Nevada.

"This represents a giant bipartisan effort," Mr. Reagan said. "We hope our coalition will hold together and we can get these freedom fighters the assistance they need."

(Christopher Simpson, Washington Times, A1)

House Votes, 221-209, To Aid Rebel Forces In Nicaragua; Major Victory For Reagan

The House of Representatives today handed the Reagan Administration a major victory by voting to provide military aid to the rebels seeking to overthrow the Nicaraguan government.

Mr. Reagan, flying to California on vacation, telephoned members even as the debate was under way and succeeded in changing the minds of some.

One Democrat who was persuaded to change sides was Mario Biaggi of the Bronx, who voted in March against aid. A spokesman said Mr. Biaggi concluded that the President had made a "very strong case."

(Linda Greenhouse, New York Times, A1)

House Passes Reagan Contra Aid Plan

The House heeded President Reagan's pleas Wednesday night and approved \$100 million of mostly military aid to the rebels fighting to overthrow the government of Nicaragua.

The Nicaraguan Embassy in Washington issued a statement saying approval of the funds "moves the U.S. closer to the ultimate military solution, that is the deployment of U.S. armed forces to the region."

Reagan, in a statement released late Wednesday night, said the vote "signals a step forward in bipartisan consensus in American foreign policy."

The President added that as the United States approaches the celebration of its own Independence Day, the nation can be proud that "we as a people have embraced the struggle of the freedom fighters of Nicaragua. Today, their cause is our cause."

(Tim Ahern, AP)

Contra Aid/President Reagan

SANTA BARBARA -- President Reagan hailed Wednesday's House vote to send \$100 million in aid to the Nicaraguan rebels, saying it "signals a step forward in bipartisan consensus in American foreign policy."

In a statement issued shortly after he arrived at his California ranch for a five-day vacation, Reagan said, "Once again, members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy."
(UPI)

House Approves Reagan Contra Aid Package

The House of Representatives, in a major victory for President Reagan, approved his \$100 million package of mostly military aid for rebels fighting Nicaragua's leftist Sandinista government.

Last night's 221 to 209 vote marked a dramatic shift in sentiment in the House. In 1984, it spearheaded a cutoff of military aid to the rebels.

(Carol Giacomo, Reuter)

House Approves Military Aid For Contras

President Reagan won a major foreign policy victory Wednesday night when the House voted for the first time to openly provide military aid for the guerrillas fighting the Marxist-led Sandinista regime in Nicaragua.

Mr. Reagan told a political gathering in Las Vegas that approval in the House was "only round one, but oh boy, what a round."

(Otto Kreisher, Copley News Service)

HOUSE BILL WOULD ADD ALIEN RIGHTS

The House Judiciary Committee last night approved a major revision of the nation's immigration laws that includes controversial proposals to give major new rights to temporary foreign agricultural workers and to provide legal status quickly to large numbers of undocumented foreign farm workers.

The 25-to-10 vote by the committee breaks a bitter deadlock in the committee and keeps alive the possibility that Congress will complete action this year on immigration legislation after five years of struggle. The Senate completed action on an immigration bill last year.

(Mary Thornton, Washington Post, A1)

MANILA OFFICIALS TELL SHULTZ REBEL TALKS WOULD BE USELESS

MANILA -- Top officials of the government of President Corazon Aquino told Secretary of State George Shultz today that there is no basis for "a substantive negotiation" with communist-backed rebels in the Philippines despite recent contacts aimed at starting "preliminary" peace talks, according to senior aides to Shultz.

The assessment attributed by the U.S. aides to Aquino, Defense Minister Juan Ponce Enrile and Armed Forces Chief of Staff Gen. Fidel Ramos, all of whom met privately with Shultz today, suggested that the chances are slim for negotiating an end to the insurgency.

(Don Oberdorfer, Washington Post, A1)

SOUTHEAST ASIA BLASTS U.S. ON PROTECTIONISM -- SHULTZ AGREES

MANILA -- Non-Communist Southeast Asian nations today blasted protectionist trends in the United States and Secretary of State George Shultz joined in the criticism.

Shultz told the annual conference of the six-member Association of Southeast Asian Nations that a pattern of protectionism and retaliation would not only damage the global economy but make the world politically more dangerous.

But he said U.S. trading partners had to open up their markets if the Reagan Administration, which opposes protectionism, was to argue its case successfully in Congress. (Michael Battye, Reuter)

EGYPT SEEKS U.S. AID IN CASH

Egypt has asked the Reagan Administration to convert \$500 million in U.S. economic aid to a cash grant to help compensate for the expected loss of \$3 billion in foreign exchange earnings, according to Egyptian and U.S. officials.

One U.S. official said that in exchange for cash, "the United States wants assurances it will go to good use and that is part of the ongoing dialogue." (David Ottaway, Washington Post, A1)

SOUTH AFRICA PRESSES APARTHEID REFORMS SPURNED BY BLACKS

JOHANNESBURG -- While world and national attention remains focused on the two-week-old state of emergency here, the South African Parliament today finished approving a major package of reforms in some of the key elements of the apartheid system of racial segregation.

The moves illustrate the dilemma of the white-minority government here, which claims to be dismantling apartheid. For while these measures have cost the government further support on its white right flank, which accuses it of starting down the road to black majority rule, they have not attracted any noticeable backing from black leaders, who generally deride them as too little and too late. (Glenn Frankel, Washington Post, A1)

REPLY TO SOVIET ARMS BID DIVIDES ADMINISTRATION

Some Reagan Administration officials are arguing for an early response to the recent Soviet arms proposal in Geneva as a way to speed planning for a summit meeting late this year between President Reagan and Soviet leader Mikhail Gorbachev, informed sources said yesterday.

Advocates of a quick response, however, are opposed by hardliners who believe such a step "would be playing to the Soviet music," as one official put it, and capitulating to Gorbachev's insistence on progress in nuclear arms talks before setting a summit date.

(Walter Pincus, Washington Post, A26)

\$1.1 BILLION VOTED TO IMPROVE EMBASSY SECURITY

The Senate voted yesterday to authorize \$1.1 billion for two years of antiterrorist security improvements at U.S. diplomatic facilities abroad, about half the amount President Reagan requested but still the largest U.S. overseas construction program ever launched.

Senate Foreign Relations Committee Chairman Richard Lugar said his committee had cut President Reagan's request and limited it to two years because even the reduced construction program is "much larger than anything the Department of State has undertaken before," and will need continued congressional scrutiny.

(Joanne Omang, Washington Post, A18)

18 ARABS FITTING TERROR PROFILE SEIZED AT BORDER

The FBI is investigating 18 Arab aliens who match the bureau's terrorist profile and who were arrested Monday by Mexican authorities near the Texas border, sources said yesterday.

"They [the Arabs] were trying to make arrangements to be smuggled into the United States," said Jerry Goodman, associate chief in charge of intelligence and anti-smuggling for the U.S. Border Patrol in Del Rio, Texas.

(J. H. Doyle, Washington Times, A1)

SENATE URGES REAGAN TO SEEK REMOVAL OF WALDHEIM PENSION

The Senate wants President Reagan to urge the United Nations to strip former U.N. Secretary General Kurt Waldheim of his \$81,650-a-year pension for lying about his connection with the Nazis.

Senators, voting for a bill to strengthen security at U.S. embassies and diplomatic posts worldwide, approved an amendment by Sen. Daniel Moynihan Wednesday to try to cut off Waldheim's optional retirement payment by the United Nations.

"We can cease to reward him for those 10 years of deception," Moynihan said. "This gives our government the first opportunity to state it does not like what happened."

(Dana Walker, UPI)

EDITOR'S NOTE: "White House Point Man Brings Back A Triumph" -- Elliot Abrams was the Reagan Administration point man on aid to the Nicaraguan resistance, by Rita McWilliams and Mary Belcher, appears in The Washington Times, A1.

NATIONAL NEWS

HILL NEGOTIATORS PRESS TO COMPLETE '87 BUDGET

House and Senate budget negotiators pressed ahead yesterday an effort to complete a fiscal 1987 spending plan before Congress' Fourth of July recess.

But lawmakers said the talks, which had appeared headed toward agreement on Tuesday, were progressing slowly and time was running out.

"I'd say right now it doesn't look good," the House Budget Committee chairman, Rep. William Gray, said during a break in the closed-door discussions. But, he added later, "We may pull a rabbit out of the hat."

(AP story, Washington Post, A4)

Fiscal '87 Budget

House and Senate budget negotiators, working into the early-morning hours Thursday, agreed on a spending framework that could lead to passage of a fiscal 1987 budget before Congress' Fourth of July recess.

"I think we have reached a framework that we believe may put us on the way" toward final budget action before week's end, said House Budget Committee chairman William Gray.

"I think that it is highly probable that the result of our discussions will yield a budget that we can present to the [full House-Senate] conference," said Sen. Pete Domenici.

(Steven Komarow, AP)

ROSTENKOWSKI SEEKS EDGE IN TAX TALKS

House Ways and Means Committee Chairman Dan Rostenkowski said yesterday that, rather than abide by the tradition of seniority, he might take his strongest allies to a conference committee being convened to reconcile the House version of tax overhaul with Senate bill approved Tuesday.

"What I'm going to try and do is put members on who were enthusiastic about and support tax reform, and who in most part weren't representing people in the halls," Rostenkowski said in a reference to the hordes of lobbyists who jammed the office building where the Ways and Means panel wrote its legislation last year.

(Anne Swardson, Washington Post, A3)

NEVADANS GET PLEDGE ON ATOMIC WASTE

LAS VEGAS -- President Reagan, acknowledging growing fears by Nevada residents that their state will be selected as a dumping site for nuclear materials, promised today that the decision will not be made "in an arbitrary or political fashion."

Reagan, heading for a vacation at his California ranch, gave his assurance during a stopover here to address a \$1,000-a-plate dinner for former Democratic representative James Santini, who is running for the Senate as a Republican.

"The issue of nuclear waste is important to all of us, to the whole country," Reagan said.

(UPI story, Washington Post, A5)

MANION CHANGED SENATE TRANSCRIPT

Daniel Manion made several revisions last month in the official transcript of his earlier Senate Judiciary Committee testimony, softening or deleting phrases on an issue central to the controversy over his federal appeals court nomination, a copy of the revised transcript shows.

Sen. Joseph Biden said yesterday that Manion's revisions went well beyond the technical or grammatical changes that Senate witnesses are routinely permitted to make while reviewing their testimony. But a spokesman for Judiciary Committee Chairman Strom Thurmond called the revisions "a non-issue." (Howard Kurtz, Washington Post, A1)

COURT HANDS NEWS MEDIA MAJOR VICTORY ON LIBEL LAW

The Supreme Court, in a major victory for the press, made it easier yesterday for the news media to win dismissal of libel suits without costly trials.

The 6-to-3 ruling reversed a 1984 decision by President Reagan's nominee for the court, appeals Judge Antonin Scalia, in a case involving columnist Jack Anderson and the conservative Liberty Lobby. A magazine edited by Anderson has said the group and its founder, Willis Carto, were neo-Nazi, anti-Semitic, racist and fascist.

(Al Kamen, Washington Post, A1)

CASEY WARNS WRITERS, PUBLISHERS ABOUT PUTTING SECRETS IN BOOKS

Authors and publishers of two forthcoming books on U.S. intelligence said yesterday that CIA Director William Casey has warned them that he believes they could be violating the law if their books include any secret "communications intelligence."

Casey issued the first warnings in telephone calls placed to the writers within the same few minutes last Thursday afternoon. He called Bob Woodward, an assistant managing editor of The Washington Post, who is writing a book on Casey and the CIA, and Seymour Hersh, who writes for The New York Times and whose book involves the downing of a Korean Air Lines jet by the Soviets in 1983.

(Eleanor Randolph, Washington Post, A11)

HOUSE VOTES TO DELETE FUNDS FOR '87 NAVY 'HOMEPORING'

In a sudden reversal for the Navy, the House voted yesterday to eliminate \$140 million in 1987 financing for the "homeporting" program, which calls for dispersal of warships to 10 new ports around the country.

By a 241-to-190 vote, lawmakers approved an amendment by Rep. Dennis Hertel, to wipe out \$85.4 million to build new Navy facilities at Everett, Wash., and \$54.4 million for new berths at Staten Island, N.Y.

(UPI story, Washington Post, A19)

SENATE UNIT VOTES TO CURB FEDERAL USE OF POLYGRAPHS

The Senate Labor and Human Resources Committee voted 11 to 5 yesterday for a bill that would ban polygraph testing of most nongovernment workers.

The bill, sent to the full Senate, would make it illegal for employers to require workers or job applicants to submit to lie detector tests.

The only exemptions would be for employees of federal, state and local governments and those working for defense contractors having access to classified information. (AP story, Washington Post, A19)

HAIG EYES PRESIDENCY

CHATTANOOGA, Tenn. -- Former secretary of state Alexander Haig says he plans to seek the Republican presidential nomination in 1988.

Haig, secretary of state during part of President Reagan's first term, said Tuesday he will officially announce his bid after this year's elections.

"I just think timing is very, very important because I'm a dark, dark horse," Haig said in an interview with the Chattanooga News-Free Press. "I believe it [the race] is wide open." (AP story, Washington Post, A5)

NETWORK NEWS SUMMARY FOR WEDNESDAY EVENING, June 25

CONTRAS

CBS's DAN RATHER: The U.S. House of Representatives tonight is voting, second time around this year, on President Reagan's \$100 million aid package for the Contra rebels fighting Nicaragua's government. The vote is expected to be very close.

CBS's PHIL JONES: As President Reagan flew west this afternoon, some Republicans were starting to predict that the President had turned enough votes to win on Contra aid. One Democratic Congressman who met with the President was quoted as saying, "I thought I was talking to the Pope." Others left the White House feeling the pressure.

(REP. STALLINGS: "Well, he just laid out how he felt -- that this was a item of national security.")

The battleground today centered around a Reagan Administration backed proposal that would allow \$70 million in military aid and \$30 million for humanitarian needs. The funds would be provided in three allotments between now and next February. The aid could only be stopped by a new congressional resolution, which could be vetoed by the President. Several opponents, including Democratic leaders, are fighting for a provision that would give humanitarian aid now, but block expenditure of the \$70 million in military funds until Congress took a second vote in October. Contra aid has become one of the most divisive issues since Vietnam.

Off the floor the issue is also charged. One conservative group has targeted eleven congressmen. Hurting the Contra cause are recent allegations that \$14 million in previous U.S. funds are unaccounted for. Today Contra leaders were roaming the corridors volunteering better accountability.

(CONTRA LEADER ADOLFO CALERO: "We welcome -- auditors saw that everyone will be happy with the way that the money and the goods have been used.")

The voting will occur later tonight, but for now it appears the President will probably get the \$100 million for the Contras. The only question is, "Will Congress demand a second vote later this year before actually releasing the military aid."
(CBS-Lead)

ABC's PETER JENNINGS: It is right down to the wire on Capitol Hill. The debate is on aid for the Contras trying to overthrow the government in Nicaragua. It is going to be close. Will the President get the aid he wants, or will he be thwarted by Congress again?

ABC's CHARLES GIBSON: Democrat Bustamante of Texas, a first-termer, got a Presidential call when Mr. Reagan heard he'd switched in the President's favor. Heady stuff.

(REP. BUSTAMANTE: "He said, 'Bless you.' I'd say it was about as close to a papal blessing as I've ever had.")

Democrat Rowland of Georgia got two invitations to the White House. Couldn't make it either time so the President called. Rowland pledged support. Democrat Biaggi of New York was on the House floor when he got a call from Air Force One as the President flew to California. He pledged support. Republicans need to turn around only six votes to reverse their loss on this issue last time, and get the \$100 million the President wants, most of it for Contra military aid. They seemed confident.

(REP. MICHEL: "We've done everything we possibly could to accommodate those who have a reservation here, a little reservation there, to put together a truly bipartisan package that ought to fly.")
-more-

GIBSON continues: A Contra leader on the Hill seemed confident.

(ADOLFO CALERO: "We can only win. Win big or less than big. And we're all hoping for a big victory.")

But Democrats certainly haven't given up.

(REP. MARKEY: "The Contras are not the freedom loving democrats which the President portrays in his speeches. Their leaders are in Miami, their bank accounts are in Switzerland, and their foot-soldiers are swatting flies in camps in Honduras.")

The Speaker who has fought the President bitterly on this issue, admitted at best the votes look dead even. But he said Mr. Reagan was getting switches.

(REP. O'NEILL: "If he's wrong, in my opinion, there'd be a slaughter of the Contras. I don't think they can prevail anyway. And would there be an obligation on the U.S. to send our own troops in? That's if you're wrong Mr. President.")

Both sides acknowledge it's going to be very close. This is the tenth time the House has voted on Contra aid in the past five years. The President has lost most of those votes -- this may be his best chance. As one Republican said, "If we win this time, it may be because we've worn them down."

JENNINGS: The White House has been watching the action on Capitol Hill very closely as you can imagine. Of course it is an issue very close to the President's heart, however, the President is watching from a distance.

ABC's SAM DONALDSON: President Reagan left the White House this afternoon for his California vacation professing uncertainty about the Contra vote outcome.

(The President departing the White House: "Don't know")

Mr. Reagan lobbied four House members in person before he left, trying to get fence-sitters to jump in his direction.

(REP. STALLINGS: "I was flattered. It was an honor to be in the White House with the President to listen to his arguments. He's a very persuasive gentleman.")

REP. WATKINS: "I expressed reservations about it, and also discussed the economic problems in my part of the country."

REPORTER: "And what was his response?"

REP. WATKINS: "Nice guy."

Chief of Staff Regan couldn't say how many votes the President may have picked up.

(MR. REGAN: "We don't know. Most of the guys are coming out saying, 'Well, I'll give it a lot of serious thought, and we'll just have to see.'")

REPORTER: "What's your latest count?"

MR. REGAN: "It's very close, I don't know. There are a lot of people that are saying, 'Well, let me think it over. I'm leaning one way or the other.'"

REPORTER: "What happens if you don't win?"

MR. REGAN: "Well, we live to fight another day.")

That day Regan is talking about will come shortly. Even if the President doesn't get all he wants from the House tonight, he'll get something. And with the Senate already having approved military aid to the Contras, the issue will go before a House-Senate conference committee to be thrashed out sometime next month.

JENNINGS: The Senate Foreign Relations Committee today ordered its staff to investigate charges that some Contra leaders have engaged in drug smuggling, gun running, and other corruptions. (ABC-Lead)

NBC's TOM BROKAW: Too close to call. That's what they're saying in the House and at the White House tonight about President Reagan's drive for \$100 million in aid for the Contras, the rebels fighting Nicaragua's Sandinista government. The President has thrown himself into this battle, claiming that a defeat will mean the establishment of a Soviet military beachhead within the defense perimeter of the U.S.

NBC's BOB KUR: By delaying his California vacation for a day the President put his prestige on the line.

(TV coverage: The President boarding Air Force One.)

He left this afternoon after spending much of the day calling in or calling up at least a dozen undecided House members. At the Capitol, Administration officials made the same pitch, warning that without military aid the future is bleak for Nicaragua's Contras.

(ASSISTANT SECRETARY OF STATE ABRAMS: "They'll be beaten down. A lot of them will be killed -- they'll be bloodied if they have to continue to fight the Soviets and the Cubans without anything from our side.")

But Speaker O'Neill warned that helping the Contras eventually will cost American lives.

(REP. O'NEILL: "There'd be a slaughter of the Contras. I don't think they can prevail anyway. And would there be an obligation on the U.S. to send our troops in?")

The Reagan Supported Contra aid plan -- \$100 million. The House Democrat's plan provides the same amount. Military aid would begin September first under the Reagan plan. There'd be no immediate military aid under the Democrats plan, and none without another vote. House Democrats circulated a report labeling as "Contragate" the possible misuse of millions in aid approved last year. A government investigation is underway. And in today's debate, aid opponents used that.

(REP. MARKEY: "The Contras are not the freedom loving democrats which the President portrays in his speeches. Their leaders are in Miami, their bank accounts are in Switzerland, and their foot soldiers are swatting flies in camps in Honduras.")

In spite of that, the White House today picked up support from a few members who, until now, opposed military aid.

(REP. SNOWE: "I think that this kind of leverage is absolutely necessary to put pressure on the Sandinistas to reconsider their position and to negotiate in good faith with its neighbors.")

Season after season, for three years, analysts have watched the House agonize, voting ten times on Contra aid.

(WILLIAM ROGERS: "\$27 million for the Contras, or even \$100 million for the Contras isn't going to change the Sandinista government.")

BRUCE BAGLEY, JOHNS HOPKINS UNIVERSITY: "The President has been in some senses limited and some senses hamstrung by public opinion and by Congress, and hence has asked for half measures rather than full measures, and I think that that's going to go on for some time.")

We expect to learn tonight whether support has increased here for President Reagan's Central American policy. (NBC-Lead)

U.S.-NICARAGUA/WORLD COURT

BROKAW: Nicaragua has taken the U.S. to the World Court claiming support for the Contras is illegal. Today a Sandinista spokesman said the court is expected to rule in favor of Nicaragua on Friday, and he said the Sandinistas would press to collect damages. For its part, however, the Reagan Administration is expected to ignore that ruling. (NBC-2)

FHA

JENNINGS: President Reagan today signed the bill authorizing the Federal Housing Administration to continue insuring home mortgages and providing the money for it. So many people have been buying new homes and refinancing old ones, that the FHA had run out of money. Also, home prices are going up. The National Association of Realtors says the median resale price of an existing home was \$84,400 last month. That is an increase of more than \$4,000, the biggest one month jump in years. (ABC-6)

PHILIPPINES/SHULTZ

JENNINGS: Secretary of State Shultz met in Manila today with the new President of the Philippines Corazon Aquino. Mr. Shultz signed an agreement providing \$200 million in American aid to the Philippines, and Mrs. Aquino gave Mr. Shultz a list of requests for still more money. (ABC-12)

SOUTH AFRICA

JENNINGS reports in South Africa the government postponed the scheduled reopening of black schools for at least two more weeks to insure what the government called calmness and discipline. Meanwhile, critics of the government turned their attention to the West's reluctance to use the economic weapon against the South African government.

ABC's JIM HICKEY reports Bishop Tutu and Britain's Dennis Healey were highly critical of the U.S. and other Western nations for failing to impose sanctions against South Africa.

(BISHOP TUTU: "America and Britain and Germany at the moment are the pits.") (ABC-13, NBC-9)

CHEMICAL WEAPONS

BROKAW reports that in Kentucky U.S. Army plans for chemical weapons have local residents highly aroused.

NBC's JIM MIKLASZEWSKI reports that in central Kentucky the U.S. has stockpiled one of the world's most deadly weapons: Nerve gas. Hundreds of thousands of these weapons are stored at eight depots in the U.S. They are 20 to 30 years old, have never been used in combat, and are considered obsolete. Now Congress has ordered them destroyed. But the chemicals inside these weapons remain lethal. Some are leaking. They are literally chemical timebombs. (NBC-12)

TERRORISM

BROKAW reports there was a warning by a group of international experts today that terrorist might soon add a new weapon to their arsenal -- a nuclear weapon. A report by the group said that because of an increase in state sponsored terrorism, there is an increasing probability of nuclear terrorism. It added that the materials for a bomb are readily available at nuclear reactors or on the black market. (NBC-11)

SYRIA/ISRAEL

JENNINGS reports the State Department said today it knows nothing about published reports that Syria is planning a lightning strike against Israel in an effort to recapture the Golan Heights. The article in the latest issue of the British military publication Jane's Defense Weekly says Syria has been seeking military support from its Arab neighbors for such a strike. (ABC-10)

U.S. BIRTH STATISTICS

JENNINGS reports more single women are having babies than ever before. The census bureau reported today that unmarried women had nearly 18% of all the babies born in this country last year. Among black women, almost 55% of all babies were born to single mothers. Why so many out-of-wedlock births? Sociologists say that unmarried women generally are not looked down upon the way they once were. (ABC-7, NBC-6)

AIDS

RATHER reports the international conference on AIDS ended in Paris today. There were three main conclusions reached: 1) There is no cure for this deadly disease; 2) Any vaccine probably will not be available for years; 3) Only prevention can even slow the spread of AIDS.

CBS's SUSAN SPENCER reports that except for Africa, AIDS is still mainly confined to homosexuals. But the experts are emphatic -- AIDS is not just a homosexual disease, but simply a disease spread through sex.... The problem is that AIDS takes so long to develop there's no way to know who's infected and who is not. With no vaccine and no cure, about all the experts can do is issue warnings. Indiscriminate sex today is russian roulette. (CBS-2)

PERU

RATHER reports there was more revolutionary terrorist violence and death today in Peru. This time officials say an American was killed. A bomb exploded on a packed excursion train. Seven people were killed, and eight Americans are among the 38 hurt. No claim yet of responsibility. (ABC-14, CBS-10)

BANKING BILL

RATHER: With tax overhaul and Contra aid now so much in the Washington spotlight, other major bills in Congress are getting less attention. Just yesterday a 200-page heavily lobbied banking bill was introduced in the U.S. Senate. This bill would make some sweeping changes. Among other things, it would allow the interstate sales of banks to rescue them from failure. (CBS-7)

BRAZIL/CUBA

JENNINGS reports that Brazil said today it is reestablishing diplomatic relations with Cuba. Those relations were suspended 22 years ago. (ABC-2)

AIDS/LAROCHE/CALIFORNIA

BROKAW: In California, an initiative backed by radical conservative Lyndon LaRouche, has qualified for the November ballot. It's a measure that says that AIDS victims can be quarantined. This proposal has caused widespread concern and outrage. (NBC-4)

MARCOS

JENNINGS reports a federal judge in Los Angeles today issued a preliminary order freezing nearly \$12 million in assets belonging to Ferdinand Marcos. The judge said the government of the Philippines may sue Mr. Marcos under American racketeering laws. (ABC-11)

ISRAELI SECRET SERVICE

RATHER reports the head of Israel's increasingly controversial counter-espionage secret service quit today. He quit only after being granted immunity from any possible prosecution. Prosecution had been possible in connection with the alleged beating deaths of two Palestinians captured after a bus hijacking. Israeli President Herzog said he gave immunity to end what he called a witch-hunt that would harm Israel's secret service. (ABC-9, CBS-5)

DRUG TAMPERING

RATHER reports the State of Washington Board of Pharmacy late today, considered ordering all over-the-counter capsule medications off state store shelves. That action came after authorities checked thousands of bottles and packages in the wake of yesterday's discovery of cyanide in Anacin Three capsules. (ABC-4, CBS-3)

HURRICANE BONNIE

RATHER reports that hurricane Bonnie is now threatening the gulf coast from Texas to Louisiana. Forecasters warned the 150 mile wide storm is especially unpredictable because it was born so early in the hurricane season. (ABC-3, CBS-4, NBC-3)



News Summary

OFFICE OF THE PRESS SECRETARY

THURSDAY, JUNE 26, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

HOUSE VOTES, 221-209, TO AID REBEL FORCES IN NICARAGUA; MAJOR VICTORY FOR REAGAN -- The House of Representatives today handed the Reagan Administration a major victory by voting to provide military aid to the rebels seeking to overthrow the Nicaraguan government.

(New York Times, Washington Post, Washington Times, AP, UPI, Copley News Service, Reuter)

HOUSE BILL WOULD ADD ALIEN RIGHTS -- The House Judiciary Committee last night approved a major revision of the nation's immigration laws that includes controversial proposals to give major new rights to temporary foreign agricultural workers and to provide legal status quickly to large numbers of undocumented foreign farm workers. (Washington Post)

NATIONAL NEWS

FISCAL '87 BUDGET -- House and Senate budget negotiators, working into the early-morning hours Thursday, agreed on a spending framework that could lead to passage of a fiscal 1987 budget before Congress' Fourth of July recess. (Washington Post, AP)

NETWORK NEWS (Wednesday Evening)

CONTRA AID -- The House tonight is voting and the vote is expected to be very close.

U.S.-NICARAGUA/WORLD COURT -- The U.S. has been taken to the World Court by Nicaragua in claiming support for the contras is illegal.

FEDERAL HOUSING ADMINISTRATION -- President Reagan signed the bill authorizing the FHA to continue insuring home mortgages and providing the money for it.

INTERNATIONAL NEWS...A-2

NATIONAL NEWS.....A-6

NETWORK NEWS.....B-1

INTERNATIONAL NEWS

REAGAN'S AID PLAN FOR CONTRAS CLEARS KEY HOUSE HURDLE

President Reagan's embattled policy in Central America cleared a key hurdle last night as the Democratic-controlled House approved an Administration-backed package of aid for the Nicaraguan rebels.

The 221-to-209 vote reversed a House vote of 222 to 210 in March that rejected Reagan's plan to provide \$70 million in military aid and \$30 million in nonlethal "humanitarian" assistance to the counterrevolutionary rebels, or contras.

"Let's end the vacillation," House Minority Leader Robert Michel said. "Systematic delay is not a policy, it's paralysis. Let's have the guts to fight communism and nurture democracy in our hemisphere now, not later."

(Edward Walsh, Washington Post, A1)

The Contras Bag A Big One

President Reagan, prevailing over the Democratic-controlled House, last night won approval for \$100 million in aid to the Nicaraguan resistance by a stunning 12-vote margin.

Mr. Reagan hailed the victory in a speech last night at a political fund-raiser in Nevada.

"This represents a giant bipartisan effort," Mr. Reagan said. "We hope our coalition will hold together and we can get these freedom fighters the assistance they need."

(Christopher Simpson, Washington Times, A1)

House Votes, 221-209, To Aid Rebel Forces In Nicaragua; Major Victory For Reagan

The House of Representatives today handed the Reagan Administration a major victory by voting to provide military aid to the rebels seeking to overthrow the Nicaraguan government.

Mr. Reagan, flying to California on vacation, telephoned members even as the debate was under way and succeeded in changing the minds of some.

One Democrat who was persuaded to change sides was Mario Biaggi of the Bronx, who voted in March against aid. A spokesman said Mr. Biaggi concluded that the President had made a "very strong case."

(Linda Greenhouse, New York Times, A1)

House Passes Reagan Contra Aid Plan

The House heeded President Reagan's pleas Wednesday night and approved \$100 million of mostly military aid to the rebels fighting to overthrow the government of Nicaragua.

The Nicaraguan Embassy in Washington issued a statement saying approval of the funds "moves the U.S. closer to the ultimate military solution, that is the deployment of U.S. armed forces to the region."

Reagan, in a statement released late Wednesday night, said the vote "signals a step forward in bipartisan consensus in American foreign policy."

The President added that as the United States approaches the celebration of its own Independence Day, the nation can be proud that "we as a people have embraced the struggle of the freedom fighters of Nicaragua. Today, their cause is our cause."

(Tim Ahern, AP)

Contra Aid/President Reagan

SANTA BARBARA -- President Reagan hailed Wednesday's House vote to send \$100 million in aid to the Nicaraguan rebels, saying it "signals a step forward in bipartisan consensus in American foreign policy."

In a statement issued shortly after he arrived at his California ranch for a five-day vacation, Reagan said, "Once again, members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy." (UPI)

House Approves Reagan Contra Aid Package

The House of Representatives, in a major victory for President Reagan, approved his \$100 million package of mostly military aid for rebels fighting Nicaragua's leftist Sandinista government.

Last night's 221 to 209 vote marked a dramatic shift in sentiment in the House. In 1984, it spearheaded a cutoff of military aid to the rebels.

(Carol Giacomo, Reuter)

House Approves Military Aid For Contras

President Reagan won a major foreign policy victory Wednesday night when the House voted for the first time to openly provide military aid for the guerrillas fighting the Marxist-led Sandinista regime in Nicaragua.

Mr. Reagan told a political gathering in Las Vegas that approval in the House was "only round one, but oh boy, what a round."

(Otto Kreisher, Copley News Service)

HOUSE BILL WOULD ADD ALIEN RIGHTS

The House Judiciary Committee last night approved a major revision of the nation's immigration laws that includes controversial proposals to give major new rights to temporary foreign agricultural workers and to provide legal status quickly to large numbers of undocumented foreign farm workers.

The 25-to-10 vote by the committee breaks a bitter deadlock in the committee and keeps alive the possibility that Congress will complete action this year on immigration legislation after five years of struggle. The Senate completed action on an immigration bill last year.

(Mary Thornton, Washington Post, A1)

MANILA OFFICIALS TELL SHULTZ REBEL TALKS WOULD BE USELESS

MANILA -- Top officials of the government of President Corazon Aquino told Secretary of State George Shultz today that there is no basis for "a substantive negotiation" with communist-backed rebels in the Philippines despite recent contacts aimed at starting "preliminary" peace talks, according to senior aides to Shultz.

The assessment attributed by the U.S. aides to Aquino, Defense Minister Juan Ponce Enrile and Armed Forces Chief of Staff Gen. Fidel Ramos, all of whom met privately with Shultz today, suggested that the chances are slim for negotiating an end to the insurgency.

(Don Oberdorfer, Washington Post, A1)

SOUTHEAST ASIA BLASTS U.S. ON PROTECTIONISM -- SHULTZ AGREES

MANILA -- Non-Communist Southeast Asian nations today blasted protectionist trends in the United States and Secretary of State George Shultz joined in the criticism.

Shultz told the annual conference of the six-member Association of Southeast Asian Nations that a pattern of protectionism and retaliation would not only damage the global economy but make the world politically more dangerous.

But he said U.S. trading partners had to open up their markets if the Reagan Administration, which opposes protectionism, was to argue its case successfully in Congress. (Michael Battye, Reuter)

EGYPT SEEKS U.S. AID IN CASH

Egypt has asked the Reagan Administration to convert \$500 million in U.S. economic aid to a cash grant to help compensate for the expected loss of \$3 billion in foreign exchange earnings, according to Egyptian and U.S. officials.

One U.S. official said that in exchange for cash, "the United States wants assurances it will go to good use and that is part of the ongoing dialogue." (David Ottaway, Washington Post, A1)

SOUTH AFRICA PRESSES APARTHEID REFORMS SPURNED BY BLACKS

JOHANNESBURG -- While world and national attention remains focused on the two-week-old state of emergency here, the South African Parliament today finished approving a major package of reforms in some of the key elements of the apartheid system of racial segregation.

The moves illustrate the dilemma of the white-minority government here, which claims to be dismantling apartheid. For while these measures have cost the government further support on its white right flank, which accuses it of starting down the road to black majority rule, they have not attracted any noticeable backing from black leaders, who generally deride them as too little and too late. (Glenn Frankel, Washington Post, A1)

REPLY TO SOVIET ARMS BID DIVIDES ADMINISTRATION

Some Reagan Administration officials are arguing for an early response to the recent Soviet arms proposal in Geneva as a way to speed planning for a summit meeting late this year between President Reagan and Soviet leader Mikhail Gorbachev, informed sources said yesterday.

Advocates of a quick response, however, are opposed by hardliners who believe such a step "would be playing to the Soviet music," as one official put it, and capitulating to Gorbachev's insistence on progress in nuclear arms talks before setting a summit date.

(Walter Pincus, Washington Post, A26)

\$1.1 BILLION VOTED TO IMPROVE EMBASSY SECURITY

The Senate voted yesterday to authorize \$1.1 billion for two years of antiterrorist security improvements at U.S. diplomatic facilities abroad, about half the amount President Reagan requested but still the largest U.S. overseas construction program ever launched.

Senate Foreign Relations Committee Chairman Richard Lugar said his committee had cut President Reagan's request and limited it to two years because even the reduced construction program is "much larger than anything the Department of State has undertaken before," and will need continued congressional scrutiny.

(Joanne Omang, Washington Post, A18)

18 ARABS FITTING TERROR PROFILE SEIZED AT BORDER

The FBI is investigating 18 Arab aliens who match the bureau's terrorist profile and who were arrested Monday by Mexican authorities near the Texas border, sources said yesterday.

"They [the Arabs] were trying to make arrangements to be smuggled into the United States," said Jerry Goodman, associate chief in charge of intelligence and anti-smuggling for the U.S. Border Patrol in Del Rio, Texas.

(J. H. Doyle, Washington Times, A1)

SENATE URGES REAGAN TO SEEK REMOVAL OF WALDHEIM PENSION

The Senate wants President Reagan to urge the United Nations to strip former U.N. Secretary General Kurt Waldheim of his \$81,650-a-year pension for lying about his connection with the Nazis.

Senators, voting for a bill to strengthen security at U.S. embassies and diplomatic posts worldwide, approved an amendment by Sen. Daniel Moynihan Wednesday to try to cut off Waldheim's optional retirement payment by the United Nations.

"We can cease to reward him for those 10 years of deception," Moynihan said. "This gives our government the first opportunity to state it does not like what happened."

(Dana Walker, UPI)

EDITOR'S NOTE: "White House Point Man Brings Back A Triumph" -- Elliot Abrams was the Reagan Administration point man on aid to the Nicaraguan resistance, by Rita McWilliams and Mary Belcher, appears in The Washington Times, A1.

NATIONAL NEWS

HILL NEGOTIATORS PRESS TO COMPLETE '87 BUDGET

House and Senate budget negotiators pressed ahead yesterday an effort to complete a fiscal 1987 spending plan before Congress' Fourth of July recess.

But lawmakers said the talks, which had appeared headed toward agreement on Tuesday, were progressing slowly and time was running out.

"I'd say right now it doesn't look good," the House Budget Committee chairman, Rep. William Gray, said during a break in the closed-door discussions. But, he added later, "We may pull a rabbit out of the hat."

(AP story, Washington Post, A4)

Fiscal '87 Budget

House and Senate budget negotiators, working into the early-morning hours Thursday, agreed on a spending framework that could lead to passage of a fiscal 1987 budget before Congress' Fourth of July recess.

"I think we have reached a framework that we believe may put us on the way" toward final budget action before week's end, said House Budget Committee chairman William Gray.

"I think that it is highly probable that the result of our discussions will yield a budget that we can present to the [full House-Senate] conference," said Sen. Pete Domenici.

(Steven Komarow, AP)

ROSTENKOWSKI SEEKS EDGE IN TAX TALKS

House Ways and Means Committee Chairman Dan Rostenkowski said yesterday that, rather than abide by the tradition of seniority, he might take his strongest allies to a conference committee being convened to reconcile the House version of tax overhaul with Senate bill approved Tuesday.

"What I'm going to try and do is put members on who were enthusiastic about and support tax reform, and who in most part weren't representing people in the halls," Rostenkowski said in a reference to the hordes of lobbyists who jammed the office building where the Ways and Means panel wrote its legislation last year.

(Anne Swardson, Washington Post, A3)

NEVADANS GET PLEDGE ON ATOMIC WASTE

LAS VEGAS -- President Reagan, acknowledging growing fears by Nevada residents that their state will be selected as a dumping site for nuclear materials, promised today that the decision will not be made "in an arbitrary or political fashion."

Reagan, heading for a vacation at his California ranch, gave his assurance during a stopover here to address a \$1,000-a-plate dinner for former Democratic representative James Santini, who is running for the Senate as a Republican.

"The issue of nuclear waste is important to all of us, to the whole country," Reagan said.

(UPI story, Washington Post, A5)

MANION CHANGED SENATE TRANSCRIPT

Daniel Manion made several revisions last month in the official transcript of his earlier Senate Judiciary Committee testimony, softening or deleting phrases on an issue central to the controversy over his federal appeals court nomination, a copy of the revised transcript shows.

Sen. Joseph Biden said yesterday that Manion's revisions went well beyond the technical or grammatical changes that Senate witnesses are routinely permitted to make while reviewing their testimony. But a spokesman for Judiciary Committee Chairman Strom Thurmond called the revisions "a non-issue."
(Howard Kurtz, Washington Post, A1)

COURT HANDS NEWS MEDIA MAJOR VICTORY ON LIBEL LAW

The Supreme Court, in a major victory for the press, made it easier yesterday for the news media to win dismissal of libel suits without costly trials.

The 6-to-3 ruling reversed a 1984 decision by President Reagan's nominee for the court, appeals Judge Antonin Scalia, in a case involving columnist Jack Anderson and the conservative Liberty Lobby. A magazine edited by Anderson has said the group and its founder, Willis Carto, were neo-Nazi, anti-Semitic, racist and fascist.

(Al Kamen, Washington Post, A1)

CASEY WARNS WRITERS, PUBLISHERS ABOUT PUTTING SECRETS IN BOOKS

Authors and publishers of two forthcoming books on U.S. intelligence said yesterday that CIA Director William Casey has warned them that he believes they could be violating the law if their books include any secret "communications intelligence."

Casey issued the first warnings in telephone calls placed to the writers within the same few minutes last Thursday afternoon. He called Bob Woodward, an assistant managing editor of The Washington Post, who is writing a book on Casey and the CIA, and Seymour Hersh, who writes for The New York Times and whose book involves the downing of a Korean Air Lines jet by the Soviets in 1983.

(Eleanor Randolph, Washington Post, A11)

HOUSE VOTES TO DELETE FUNDS FOR '87 NAVY 'HOMEPORTING'

In a sudden reversal for the Navy, the House voted yesterday to eliminate \$140 million in 1987 financing for the "homeporting" program, which calls for dispersal of warships to 10 new ports around the country.

By a 241-to-190 vote, lawmakers approved an amendment by Rep. Dennis Hertel, to wipe out \$85.4 million to build new Navy facilities at Everett, Wash., and \$54.4 million for new berths at Staten Island, N.Y.

(UPI story, Washington Post, A19)

SENATE UNIT VOTES TO CURB FEDERAL USE OF POLYGRAPHS

The Senate Labor and Human Resources Committee voted 11 to 5 yesterday for a bill that would ban polygraph testing of most nongovernment workers.

The bill, sent to the full Senate, would make it illegal for employers to require workers or job applicants to submit to lie detector tests.

The only exemptions would be for employees of federal, state and local governments and those working for defense contractors having access to classified information. (AP story, Washington Post, A19)

HAIG EYES PRESIDENCY

CHATTANOOGA, Tenn. -- Former secretary of state Alexander Haig says he plans to seek the Republican presidential nomination in 1988.

Haig, secretary of state during part of President Reagan's first term, said Tuesday he will officially announce his bid after this year's elections.

"I just think timing is very, very important because I'm a dark, dark horse," Haig said in an interview with the Chattanooga News-Free Press. "I believe it [the race] is wide open." (AP story, Washington Post, A5)

NETWORK NEWS SUMMARY FOR WEDNESDAY EVENING, June 25

CONTRAS

CBS's DAN RATHER: The U.S. House of Representatives tonight is voting, second time around this year, on President Reagan's \$100 million aid package for the Contra rebels fighting Nicaragua's government. The vote is expected to be very close.

CBS's PHIL JONES: As President Reagan flew west this afternoon, some Republicans were starting to predict that the President had turned enough votes to win on Contra aid. One Democratic Congressman who met with the President was quoted as saying, "I thought I was talking to the Pope." Others left the White House feeling the pressure.

(REP. STALLINGS: "Well, he just laid out how he felt -- that this was a item of national security.")

The battleground today centered around a Reagan Administration backed proposal that would allow \$70 million in military aid and \$30 million for humanitarian needs. The funds would be provided in three allotments between now and next February. The aid could only be stopped by a new congressional resolution, which could be vetoed by the President. Several opponents, including Democratic leaders, are fighting for a provision that would give humanitarian aid now, but block expenditure of the \$70 million in military funds until Congress took a second vote in October. Contra aid has become one of the most divisive issues since Vietnam.

Off the floor the issue is also charged. One conservative group has targeted eleven congressmen. Hurting the Contra cause are recent allegations that \$14 million in previous U.S. funds are unaccounted for. Today Contra leaders were roaming the corridors volunteering better accountability.

(CONTRA LEADER ADOLFO CALERO: "We welcome -- auditors saw that everyone will be happy with the way that the money and the goods have been used.")

The voting will occur later tonight, but for now it appears the President will probably get the \$100 million for the Contras. The only question is, "Will Congress demand a second vote later this year before actually releasing the military aid. (CBS-Lead)

ABC's PETER JENNINGS: It is right down to the wire on Capitol Hill. The debate is on aid for the Contras trying to overthrow the government in Nicaragua. It is going to be close. Will the President get the aid he wants, or will he be thwarted by Congress again?

ABC's CHARLES GIBSON: Democrat Bustamante of Texas, a first-termer, got a Presidential call when Mr. Reagan heard he'd switched in the President's favor. Heady stuff.

(REP. BUSTAMANTE: "He said, 'Bless you.' I'd say it was about as close to a papal blessing as I've ever had.")

Democrat Rowland of Georgia got two invitations to the White House. Couldn't make it either time so the President called. Rowland pledged support. Democrat Biaggi of New York was on the House floor when he got a call from Air Force One as the President flew to California. He pledged support. Republicans need to turn around only six votes to reverse their loss on this issue last time, and get the \$100 million the President wants, most of it for Contra military aid. They seemed confident.

(REP. MICHEL: "We've done everything we possibly could to accommodate those who have a reservation here, a little reservation there, to put together a truly bipartisan package that ought to fly.")

-more-

GIBSON continues: A Contra leader on the Hill seemed confident.

(ADOLFO CALERO: "We can only win. Win big or less than big. And we're all hoping for a big victory.")

But Democrats certainly haven't given up.

(REP. MARKEY: "The Contras are not the freedom loving democrats which the President portrays in his speeches. Their leaders are in Miami, their bank accounts are in Switzerland, and their foot-soldiers are swatting flies in camps in Honduras.")

The Speaker who has fought the President bitterly on this issue, admitted at best the votes look dead even. But he said Mr. Reagan was getting switches.

(REP. O'NEILL: "If he's wrong, in my opinion, there'd be a slaughter of the Contras. I don't think they can prevail anyway. And would there be an obligation on the U.S. to send our own troops in? That's if you're wrong Mr. President.")

Both sides acknowledge it's going to be very close. This is the tenth time the House has voted on Contra aid in the past five years. The President has lost most of those votes -- this may be his best chance. As one Republican said, "If we win this time, it may be because we've worn them down."

JENNINGS: The White House has been watching the action on Capitol Hill very closely as you can imagine. Of course it is an issue very close to the President's heart, however, the President is watching from a distance.

ABC's SAM DONALDSON: President Reagan left the White House this afternoon for his California vacation professing uncertainty about the Contra vote outcome.

(The President departing the White House: "Don't know")

Mr. Reagan lobbied four House members in person before he left, trying to get fence-sitters to jump in his direction.

(REP. STALLINGS: "I was flattered. It was an honor to be in the White House with the President to listen to his arguments. He's a very persuasive gentleman.")

REP. WATKINS: "I expressed reservations about it, and also discussed the economic problems in my part of the country."

REPORTER: "And what was his response?"

REP. WATKINS: "Nice guy."

Chief of Staff Regan couldn't say how many votes the President may have picked up.

(MR. REGAN: "We don't know. Most of the guys are coming out saying, 'Well, I'll give it a lot of serious thought, and we'll just have to see.'")

REPORTER: "What's your latest count?"

MR. REGAN: "It's very close, I don't know. There are a lot of people that are saying, 'Well, let me think it over. I'm leaning one way or the other.'"

REPORTER: "What happens if you don't win?"

MR. REGAN: "Well, we live to fight another day.")

That day Regan is talking about will come shortly. Even if the President doesn't get all he wants from the House tonight, he'll get something. And with the Senate already having approved military aid to the Contras, the issue will go before a House-Senate conference committee to be thrashed out sometime next month.

JENNINGS: The Senate Foreign Relations Committee today ordered its staff to investigate charges that some Contra leaders have engaged in drug smuggling, gun running, and other corruptions. (ABC-Lead)

NBC's TOM BROKAW: Too close to call. That's what they're saying in the House and at the White House tonight about President Reagan's drive for \$100 million in aid for the Contras, the rebels fighting Nicaragua's Sandinista government. The President has thrown himself into this battle, claiming that a defeat will mean the establishment of a Soviet military beachhead within the defense perimeter of the U.S.

NBC's BOB KUR: By delaying his California vacation for a day the President put his prestige on the line.

(TV coverage: The President boarding Air Force One.)

He left this afternoon after spending much of the day calling in or calling up at least a dozen undecided House members. At the Capitol, Administration officials made the same pitch, warning that without military aid the future is bleak for Nicaragua's Contras.

(ASSISTANT SECRETARY OF STATE ABRAMS: "They'll be beaten down. A lot of them will be killed -- they'll be bloodied if they have to continue to fight the Soviets and the Cubans without anything from our side.")

But Speaker O'Neill warned that helping the Contras eventually will cost American lives.

(REP. O'NEILL: "There'd be a slaughter of the Contras. I don't think they can prevail anyway. And would there be an obligation on the U.S. to send our troops in?")

The Reagan Supported Contra aid plan -- \$100 million. The House Democrat's plan provides the same amount. Military aid would begin September first under the Reagan plan. There'd be no immediate military aid under the Democrats plan, and none without another vote. House Democrats circulated a report labeling as "Contragate" the possible misuse of millions in aid approved last year. A government investigation is underway. And in today's debate, aid opponents used that.

(REP. MARKEY: "The Contras are not the freedom loving democrats which the President portrays in his speeches. Their leaders are in Miami, their bank accounts are in Switzerland, and their foot soldiers are swatting flies in camps in Honduras.")

In spite of that, the White House today picked up support from a few members who, until now, opposed military aid.

(REP. SNOWE: "I think that this kind of leverage is absolutely necessary to put pressure on the Sandinistas to reconsider their position and to negotiate in good faith with its neighbors.")

Season after season, for three years, analysts have watched the House agonize, voting ten times on Contra aid.

(WILLIAM ROGERS: "\$27 million for the Contras, or even \$100 million for the Contras isn't going to change the Sandinista government.")

BRUCE BAGLEY, JOHNS HOPKINS UNIVERSITY: "The President has been in some senses limited and some senses hamstrung by public opinion and by Congress, and hence has asked for half measures rather than full measures, and I think that that's going to go on for some time.")

We expect to learn tonight whether support has increased here for President Reagan's Central American policy. (NBC-Lead)

U.S.-NICARAGUA/WORLD COURT

BROKAW: Nicaragua has taken the U.S. to the World Court claiming support for the Contras is illegal. Today a Sandinista spokesman said the court is expected to rule in favor of Nicaragua on Friday, and he said the Sandinistas would press to collect damages. For its part, however, the Reagan Administration is expected to ignore that ruling. (NBC-2)

FHA

JENNINGS: President Reagan today signed the bill authorizing the Federal Housing Administration to continue insuring home mortgages and providing the money for it. So many people have been buying new homes and refinancing old ones, that the FHA had run out of money. Also, home prices are going up. The National Association of Realtors says the median resale price of an existing home was \$84,400 last month. That is an increase of more than \$4,000, the biggest one month jump in years. (ABC-6)

PHILIPPINES/SHULTZ

JENNINGS: Secretary of State Shultz met in Manila today with the new President of the Philippines Corazon Aquino. Mr. Shultz signed an agreement providing \$200 million in American aid to the Philippines, and Mrs. Aquino gave Mr. Shultz a list of requests for still more money. (ABC-12)

SOUTH AFRICA

JENNINGS reports in South Africa the government postponed the scheduled reopening of black schools for at least two more weeks to insure what the government called calmness and discipline. Meanwhile, critics of the government turned their attention to the West's reluctance to use the economic weapon against the South African government.

ABC's JIM HICKEY reports Bishop Tutu and Britain's Dennis Healey were highly critical of the U.S. and other Western nations for failing to impose sanctions against South Africa.

(BISHOP TUTU: "America and Britain and Germany at the moment are the pits.") (ABC-13, NBC-9)

CHEMICAL WEAPONS

BROKAW reports that in Kentucky U.S. Army plans for chemical weapons have local residents highly aroused.

NBC's JIM MIKLASZEWSKI reports that in central Kentucky the U.S. has stockpiled one of the world's most deadly weapons: Nerve gas. Hundreds of thousands of these weapons are stored at eight depots in the U.S. They are 20 to 30 years old, have never been used in combat, and are considered obsolete. Now Congress has ordered them destroyed. But the chemicals inside these weapons remain lethal. Some are leaking. They are literally chemical timebombs. (NBC-12)

TERRORISM

BROKAW reports there was a warning by a group of international experts today that terrorists might soon add a new weapon to their arsenal -- a nuclear weapon. A report by the group said that because of an increase in state sponsored terrorism, there is an increasing probability of nuclear terrorism. It added that the materials for a bomb are readily available at nuclear reactors or on the black market. (NBC-11)

SYRIA/ISRAEL

JENNINGS reports the State Department said today it knows nothing about published reports that Syria is planning a lightning strike against Israel in an effort to recapture the Golan Heights. The article in the latest issue of the British military publication Jane's Defense Weekly says Syria has been seeking military support from its Arab neighbors for such a strike. (ABC-10)

U.S. BIRTH STATISTICS

JENNINGS reports more single women are having babies than ever before. The census bureau reported today that unmarried women had nearly 18% of all the babies born in this country last year. Among black women, almost 55% of all babies were born to single mothers. Why so many out-of-wedlock births? Sociologists say that unmarried women generally are not looked down upon the way they once were. (ABC-7, NBC-6)

AIDS

RATHER reports the international conference on AIDS ended in Paris today. There were three main conclusions reached: 1) There is no cure for this deadly disease; 2) Any vaccine probably will not be available for years; 3) Only prevention can even slow the spread of AIDS.

CBS's SUSAN SPENCER reports that except for Africa, AIDS is still mainly confined to homosexuals. But the experts are emphatic -- AIDS is not just a homosexual disease, but simply a disease spread through sex.... The problem is that AIDS takes so long to develop there's no way to know who's infected and who is not. With no vaccine and no cure, about all the experts can do is issue warnings. Indiscriminate sex today is Russian roulette. (CBS-2)

PERU

RATHER reports there was more revolutionary terrorist violence and death today in Peru. This time officials say an American was killed. A bomb exploded on a packed excursion train. Seven people were killed, and eight Americans are among the 38 hurt. No claim yet of responsibility. (ABC-14, CBS-10)

BANKING BILL

RATHER: With tax overhaul and Contra aid now so much in the Washington spotlight, other major bills in Congress are getting less attention. Just yesterday a 200-page heavily lobbied banking bill was introduced in the U.S. Senate. This bill would make some sweeping changes. Among other things, it would allow the interstate sales of banks to rescue them from failure. (CBS-7)

BRAZIL/CUBA

JENNINGS reports that Brazil said today it is reestablishing diplomatic relations with Cuba. Those relations were suspended 22 years ago. (ABC-2)

AIDS/LAROCHE/CALIFORNIA

BROKAW: In California, an initiative backed by radical conservative Lyndon LaRouche, has qualified for the November ballot. It's a measure that says that AIDS victims can be quarantined. This proposal has caused widespread concern and outrage. (NBC-4)

MARCOS

JENNINGS reports a federal judge in Los Angeles today issued a preliminary order freezing nearly \$12 million in assets belonging to Ferdinand Marcos. The judge said the government of the Philippines may sue Mr. Marcos under American racketeering laws. (ABC-11)

ISRAELI SECRET SERVICE

RATHER reports the head of Israel's increasingly controversial counter-espionage secret service quit today. He quit only after being granted immunity from any possible prosecution. Prosecution had been possible in connection with the alleged beating deaths of two Palestinians captured after a bus hijacking. Israeli President Herzog said he gave immunity to end what he called a witch-hunt that would harm Israel's secret service. (ABC-9, CBS-5)

DRUG TAMPERING

RATHER reports the State of Washington Board of Pharmacy late today, considered ordering all over-the-counter capsule medications off state store shelves. That action came after authorities checked thousands of bottles and packages in the wake of yesterday's discovery of cyanide in Anacin Three capsules. (ABC-4, CBS-3)

HURRICANE BONNIE

RATHER reports that hurricane Bonnie is now threatening the gulf coast from Texas to Louisiana. Forecasters warned the 150 mile wide storm is especially unpredictable because it was born so early in the hurricane season. (ABC-3, CBS-4, NBC-3)