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News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, AUGUST 4, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Soviet Will Allow Shcharansky Kin To Leave Country -- The mother and brother of Anatoly Shcharansky, the Soviet human rights activist who was freed in February after nine years in prison and labor camps, have received permission to join him in Israel, the brother said today.

(New York Times, Washington Post, Reuter)

Commonwealth, Thatcher Moving Toward Compromise -- Leaders of six Commonwealth countries meeting with Britain in a minisummit in London yesterday appeared to be moving away from confrontation with British Prime Minister Margaret Thatcher and toward a compromise on South African sanctions. (New York Times, Washington Post, Washington Times)

NATIONAL NEWS

Reagan Gears Up For Anti-Drug Crusade -- President Reagan, gearing up for his national crusade against drugs, is enlisting help from a few close political allies -- his Cabinet and Republican congressional leaders.

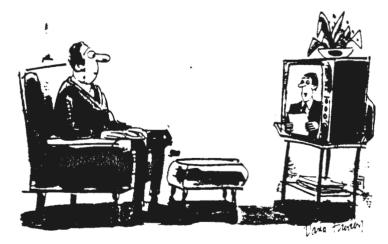
(Washington Post, Washington Times, UPI)

NETWORK NEWS (Sunday Evening)

JUSTICE REHNQUIST/JUDGE SCALIA
-- The Senate Judiciary Committee
turns its attention to Antonin
Scalia and Democrats are still
demanding a look at the papers
William Rehnquist wrote during
the Nixon presidency.

BRITAIN/COMMONWEALTH -- The leaders of the six Commonwealth nations began a summit meeting with Prime Minister Thatcher to discuss sanctions against South Africa.

VICE PRESIDENT BUSH/MIDDLE EAST
-- Vice President Bush predicted
that peace in the region could
come in the next decade.



"Today, not only did the President refuse to answer reporters' questions but every single official in the country, high and low, also refused to answer reporters' questions."

DISSIDENT'S KIN TO EXIT U.S.S.R.

JERUSALEM -- Freed Soviet human rights activist Anatoly Shcharansky said today that his mother, brother and other family members have been granted permission to leave the Soviet Union and come to Israel.

Shcharansky, who was released from a Soviet jail in February and flown to Israel, attributed the decision to release his family to diplomatic pressure from the United States and to a recent thaw in Soviet-Israeli relations that some analysts here believe may eventually lead to renewed diplomatic ties between the two countries.

(Glenn Frankel, Washington Post, A1)

Soviet Will Allow Shcharansky Kin To Leave Country .

MOSCOW -- The mother and brother of Anatoly Shcharansky, the Soviet human rights activist who was freed in February after nine years in prison and labor camps, have received permission to join him in Israel, the brother said today.

Western diplomats said the approval of exit visas was a sign that Mikhail Gorbachev was prepared to resolve some human rights cases to improve relations with the West and to limit unfavorable publicity about the Soviet Union.

(New York Times, A1)

Shcharansky Says Mom And Brother To Join Him In Three Weeks

TEL AVIV -- Former Soviet dissident Anatoly Shcharansky says his mother and brother will be allowed to leave the Soviet Union and join him in Israel within three weeks.

He said on Israeli radio yesterday that he believed the move by Soviet authorities was part of their effort to improve ties with Israel.

(Gail Fitzer, Reuter)

LEADERS TRY FOR PACT ON S. AFRICA

LONDON -- Leaders of seven Commonwealth nations began a three-day meeting today to discuss sanctions against South Africa and its policy of apartheid amid indications that they would seek a compromise between the prosanctions majority and British Prime Minister Margaret Thatcher's antisanctions stance.

Zambian President Kenneth Kaunda, who has threatened to take this country out of the organization if Thatcher does not bend, said this morning that he would consider an agreement that effectively would delay Commonwealth sanctions for long enough to coordinate measures with other western industrialized countries and international organizations.

(Karen De Young, Washington Post, A1)

Commonwealth, Thatcher Moving Toward Compromise

LONDON -- Leaders of six Commonwealth countries meeting with Britain in a minisummit in London yesterday appeared to be moving away from confrontation with British Prime Minister Margaret Thatcher and toward a compromise on South African sanctions.

Britain was reported ready to impose some sanctions in return for some Commonwealth countries dropping their more extreme demands — including threats to leave the 49-nation organization — and a delay in the implementation of measures while they are coordinated with the United States, the European Community, the Commonwealth and Japan.

(Peter Almond, Washington Times, A1)

Britain Cautions On Economic War Among Africans

LONDON -- Britain warned a conference of Commonwealth leaders at its opening session today of the danger of "economic warfare" in southern Africa.

The seven leaders, including Prime Minister Margaret Thatcher of Britain, agreed there had not been "adequate progress" toward the dismantling of apartheid and the start of negotiations in South Africa since last October. It was then that Mrs. Thatcher withstood pressure from the other heads of government in the 49-nation Commonwealth group at a meeting in the Bahamas to agree to a substantial program of sanctions.

(Joseph Lelyveld, New York Times, A1)

U.S. AND ALLIES DISCUSS PRESSURING PRETORIA

BONN -- Calling the situation in South Africa "bleak," a senior U.S. government official said the United States and some of its European allies are discussing measures short of outright economic sanctions they might take against Pretoria if it fails to respond to Western pressure for change.

The official said the talks covered the type of punitive steps that could be adopted against Pretoria if it continues to reject dialogue with black leaders, and focused on possible coordination between U.S. and European moves. (Reuter story, Washington Times, A8)

CONSERVATIVES ON HILL MOUNT SDI OFFENSIVE

Conservative leaders in both houses of Congress have mounted a major effort to reverse President Reagan's apparent decision to use concessions on his Strategic Defense Initiative as a lure to the Soviets on arms control talks.

The leaders -- a number of whom have requested an urgent meeting with the President this week -- believe Mr. Reagan has seriously miscalculated the effect reports of his recent letter on arms control to Soviet leader Mikhail Gorbachev will have on the SDI program's funding by Congress. (Tom Diaz, Washington Times, A1)

IT MAY SURPRISE YOU, BUT THERE'S NO U.S. DEFENSE AGAINST MISSILE ATTACKS

Worried by the growing capability of Soviet missiles, bombers and submarines, and encouraged by new technologies, the Pentagon has launched a multibillion-dollar program to fill a void in U.S. defenses.

The United States has no means of shooting down intercontinental ballistic missiles. And American forces, which in the early 1960s had 490 anti-aircraft missiles in North America, now has no such weapons on the continent.

An Associated Press-Media General Inc. poll released Monday found that nearly six out of 10 Americans believe the United States can defend itself against a missile attack, although 46 percent of the respondents said they did not know what made up the air defense system.

(Bryan Brumley, AP)

WHEAT SALE TO BAIL OUT THE SOVIETS

Commerce Secretary Malcolm Baldrige yesterday defended the Administration's decision to subsidize wheat sales to the Soviet Union but admitted the sales will help bail out the ailing Soviet economy.

European traders, he said, will continue to subsidize wheat, and unless the United States matches world prices, U.S. farmers will lose sales.

(Bill Gertz, Washington Times, A2)

A WARNING FROM ISLAMIC JIHAD

BEIRUT -- Moslem fundamentalists holding three Americans hostage said they will not negotiate with President Reagan, the Pope or the Archbishop of Canterbury and did not send the message through freed hostage Lawrence Jenco.

In a statement published Sunday in the independent newspaper An Nahar, Islamic Jihad said it will kill the Americans unless its demands are met. The pro-Iranian group has demanded the release of 17 Shiite Moslems jailed in Kuwait for a series of bombings. (UPI)

BUSH SAYS MIDEAST IS RIPE FOR PEACE

EL GORAH, Egypt -- Vice President George Bush said today there is a "growing consensus" among nations in the Middle East for a resolution of the Arab-Israeli conflict and he predicted that a "comprehensive peace" could be built within the next decade.

In remarks to soldiers in the 11-nation force and observers policing the border between Egypt and Israel, Bush said he has seen "a marked change in the mood in this region" during his tour. The Vice President was previously in Israel and Jordan and will hold talks Monday with Egyptian President Hosni Mubarak.

(David Hoffman, Washington Post, A17)

Bush Sees Peace Consensus Producing A Middle East Settlement In 10 Years

CAIRO -- Vice President George Bush yesterday predicted a regional Middle East peace settlement will be achieved within 10 years.

"I can see a number of ways to build a peace in this region -- not this year or next year, perhaps, but certainly within a decade," he said. (Reuter story, Washington Times, A8)

Bush To Meet Mubarak As Middle East Tour Winds Down

CAIRO -- Regional politics and an Egyptian plea for U.S. aid top the agenda as Vice President George Bush begins the final stretch of a Middle East tour punctuated by his prediction of peace within a decade.

His talks with Anwar Sadat's successor, Hosni Mubarak, were to include in-depth discussion of the peace process Sadat helped pioneer as well as Taba, the land dispute hindering normalized relations between Egypt and Israel. (Norman Sandler, UPI)

BUSH'S ADVANCE MEN: WHO ARE THESE GUYS, ANYWAY?

Vice President George Bush continues to muddle through the Middle East, plagued by embarrassing -- and even astonishing -- missteps by his advance team.

The Los Angeles Times reported that the Vice President's advance men, while making final preparations for last week's visit to Jordan, demanded helicopters be furnished the entire party. When the Jordanians pointed out their tiny air force didn't have that many helicopters, a Bush aide suggested they borrow some from Israel.

Lack of progress on the volatile and intractable problems of the Middle East is not nearly as vexing, nor as eye-catching, as the fumbles of Mr. Bush and his advance men. Some Administration officials are expressing reservations about the handling of the Vice President's trips.

As a presidential contender, Mr. Bush has to conduct all his business -- particularly sensitive foreign missions -- under the klieg lights. They tend to magnify his errors.

(Roger Fontaine, News Analysis, Washington Times, A1)

FOR ORTEGA, A TASTE OF POLITICAL IMAGE-BUILDING

CHICAGO -- In a face-off that mingled the improbable and the practical, conservative Rep. Robert Dornan offered some image-polishing advice to Nicaraguan President Daniel Ortega Saturday night -- and the Sandinista leader said he would take it.

Dornan's point, driven home with his rapid-fire style, was that Ortega should not become too closely connected with U.S. liberals as he continues his U.S. tour, designed to rally opinion against the Reagan Administration's support for anti-Sandinista rebels.

(Kevin Klose, Washington Post, A1)

HELMS SHOULD HAVE BEEN TOLD ABOUT PROBE, COLLEAGUES SAY

Some Republicans on Capitol Hill say they are surprised that Sen. Jesse Helms did not learn in advance of an apparent FBI investigation into allegations that he or one of his aides passed information to the Chilean government regarding U.S. intelligence-gathering.

"Durenberger should have talked to Helms before starting an investigation," said a GOP source close to Mr. Helms. "Helms didn't know till a reporter called him." (Ralph Hallow, Washington Times, A5)

EDITOR'S NOTE: "'New Nicaraguans' Emerging," by Joanne Omang, appears in The Washington Post, A1.

NOT JUST A 'MOTHERHOOD ISSUE'

President Reagan will open a second front in the Administration's highly ballyhooed "war on drugs" today when he launches a campaign that has the lofty goal of eliminating drug abuse from the nation's schools and work places.

Reagan has a genuine opportunity to overcome the cynical view that politicians are content to deplore drug use without really doing anything about the problem. Reagan's genius as a communicator is that he is able to elevate motherhood issues to matters of national importance. He has made both cheerfulness and patriotism fashionable. Three years ago he assembled a collection of ordinary and common-sense views on education and turned around public opinion.

This is the issue that the President -- and Congress, too, if it dares to go that far -- will be up against if he succeeds in convincing the nation that drug abuse can be dealt with as well as deplored. Seen in these terms, it may not be such a motherhood issue after all.

(Lou Cannon, Washington Post, A2)

President Reagan/Drug Abuse

President Reagan, in an interview in the current Newsweek, linked Hollywood and the music industry as contributors to widespread drug abuse.

The former actor said recent films portray drug use as "attractive and funny, not dangerous and sad." As for the music industry, Reagan said popular musicians "make no secret of the fact that they are users."

The President's comments reflected a concern voiced by some groups recently over how the influence of popular music is used. Reagan said the idea of making drugs difficult to obtain is only part of the solution and "the main thrust has got to be to get people themselves to turn off on it."

(Todd Yasui, Washington Post, B3)

President Prepares Drug War

President Reagan is poised to launch a major anti-drug campaign but hasn't decided yet how it will be waged in the federal workplace, Administration sources said yesterday.

Mr. Reagan, who will speak out against drug abuse in several speeches this week, is expected to propose drug testing for federal employes.

The scope of such testing, however, has not been decided because the recommendations of department and agency heads still are being reviewed, sources said. (Mary Belcher, Washington Times, A5)

Reagan Gears Up For Anti-Drug Crusade

President Reagan, gearing up for his national crusade against drugs, is enlisting help from a few close political allies -- his Cabinet and Republican congressional leaders.

Reagan was scheduled to discuss drug policy proposals twice today, with Cabinet members in the morning and GOP leaders in the afternoon.

(Helen Thomas, UPI)

DEMOCRAT SAYS LIBERALS STILL DIVIDED ON REHNQUIST NOMINATION

Although many Democrats are criticizing the record of Supreme Court Justice William Rehnquist, liberals have reached "no clear consensus" on elevating him to chief justice, Sen. Joseph Biden says.

"There are clearly those who would be characterized as liberals who would very much like to see him off the court, or at least not in the position of chief justice," the senator said on ABC-TV's "This Week With David Brinkley."

"And there are others who would be characterized as liberals who are not quite sure he should be elevated to chief justice, but I don't think there's a clear consensus that he should not be on the court," Biden added.

(Rita Beamish, AP)

SUBPOENA OF REHNQUIST DOCUMENTS LOOMS CLOSER

A Senate vote to subpoena documents written by Justice William Rehnquist loomed more likely as Administration and legislative negotiators failed to break an impasse over their release.

Senate Judiciary Committee Democrats and Administration representatives negotiated through the weekend to try and reach a compromise for the release of documents Rehnquist wrote while he served as head of the Office of Legal Counsel under President Nixon in the early 1970s.

The White House Sunday referred all questions concerning the documents to the Justice Department. Justice Department spokesman Terry Eastland said the status on the release of the documents had not changed. (UPI)

Bell Opposes Opening Of Rehnquist's Files

With the Senate Judiciary Committee set tomorrow to consider the Supreme Court nomination of U.S. Circuit Judge Antonin Scalia, President Reagan has received unexpected support from President Carter's attorney general on another appointment.

"I can't think of anything more mischievous than having the Senate rummage around in the files of the Office of Legal Counsel," Griffin Bell said. "After all, this is a lawyer for the President of the United States."

(Ed Rogers, Washington Times, A1)

SCALIA NOMINATION UP THIS WEEK

The Senate Judiciary Committee, hardly recovered from four bruising days of hearings on Justice William Rehnquist's nomination as chief justice, opens new hearings on another high court nominee -- Antonin Scalia.

The committee is scheduled to move Tuesday to the nomination of the

first Italian-American to the nation's highest court.

Unlike the Rehnquist confirmation hearings -- filled with charges that he harassed voters in the 1960s and that his ideology is too extreme -- no surprises are anticipated during the proceedings for Scalia.

(Judi Hasson, UPI)

REBUILDING FAA: HIGH COST, HIGH RISK

The government is engaged in a multibillion-dollar computer acquisition program that has fallen behind schedule and will cost billions more than planned.

It sounds like a Pentagon procurement. Instead, it's the Federal Aviation Administration's \$12 billion replacement air traffic control system, a super computer-radar network that is supposed to permit more flights and increase safety while reducing the number of people required to control air traffic. (Douglas Feaver, Washington Post, A1)

CLAIBORNE IMPEACHMENT STALLS

The Senate, rushing to wrap up several controversial issues before leaving Aug. 15 for a month-long summer vacation, has infuriated members of the House Judiciary Committee by refusing to start action on the impeachment trial of jailed U.S. District Court Judge Harry Claiborne.

Rep. Robert Kastenmeier, who drew up the articles of impeachment against Claiborne, called the Senate action "outrageous."

(Mary Thornton, Washington Post, A1)

INTERIOR DEPT. SEEKS TO GIVE PUBLIC LAND TO ENERGY FIRMS

The Interior Department is seeking to give more than 82,000 acres of public lands in Colorado to major energy companies, saying it is "no longer in the public interest" to contest old mining claims on the land.

In a legal settlement awaiting Justice Department approval, Interior proposes to grant title to some of the nation's richest oil-shale deposits to Tosco Corp. of California, Exxon Co., Union Oil Co. of California, Phillips Petroleum Co. and several other oil firms for a nominal fee of \$2.50 an acre.

(Cass Peterson, Washington Post, A3)

EDITOR'S NOTE: "In Missouri Race, It's The Year Of The Ad," by Paul Taylor, appears in The Washington Post, A6.

(Sunday Evening, August 3, 1986)

REHNQUIST/SCALIA

ABC's Sam Donaldson: The Senate Judiciary Committee turns its attention this week to President Reagan's nomination of Judge Antonin Scalia to be an Associate Justice of the Supreme Court. Hearings begin on Tuesday. But the fight within the committee over the nomination of William Rehnquist to be Chief Justice isn't over. Democrats are still demanding a look at papers the Administration is withholding on the grounds of executive privilege. The Administration doesn't seem to be in the mood to compromise.

ABC's Kenneth Walker: Controversy continued today over President Reagan's claim of executive privilege for memos William Rehnquist wrote while in President Nixon's Justice Department, giving advice on some of the abuses in the Watergate era.

(Sen. Metzenbaum: It's a bipartisan effort to get the information. And I believe that we should get the information. We're talking about a period of time when this man was the head of the office of legal counsel and at that point there was wiretapping, there was electronic surveillance, there were break-ins."

Sen. Hatch: "This is what you call a fishing expedition by a bunch of Senators who really don't have anything else to do.")

The controversy began last week when Rehnquist was asked whether he had a problem with releasing the documents.

(Rehnquist: "I would certainly waive any claim that I have so far as the Justice Department is concerned.")

President Reagan, of course, was unwilling, but Republicans and Democrats are discussing a possible compromise. That controversy aside, as Senator Joseph Biden explained on "This Week With David Brinkley", that Rehnquist's credibility in responding to charges of intimidating minority voters and holding property deeds with racially restrictive covenants now has become an issue.

(Sen. Biden: "Justice Rehnquist's credibility has come into some question with me. For the first time I am beginning to wonder whether or not he has levelled with us or he has played a very clever game as to whether or not he defines a word one way and acts another way.")

Rehnquist's nomination still seems assured but the President now must decide whether his controversial claim of executive privilege endangers the nomination either by provoking a filibuster by Democrats or by releasing documents damaging to Rehnquist. (ABC-5)

NBC's Chris Wallace: The confirmation of William Rehnquist as Chief Justice of the Supreme Court could be held up in a battle over sensitive papers written by Rehnquist years ago. A bipartisan group of senators wants access to those papers but President Reagan refuses to hand them over claiming executive privilege.

NBC's Candace Crowley: In search of Nixon-era documents written by Justice Rehnquist, Democrats on the Judiciary Committee believe their hand may be strengthened by two moderate Republicans: Senators Charles Mathias and Arlen Specter.

<u>Crowley</u> continues: Both have expressed an interest in seeing the <u>documents</u> and their votes would give the Democrats the majority they need for a subpoena. But Democrats hope it will not come to that.

(Metzenbaum: "I do know that the Democrats want -- and some Republicans as well -- I want to make it clear it's a bipartisan effort to get the information.")

... The man charged with finding some middle ground short of a subpoena is Senator Paul Laxalt, a close Reagan friend. His task will not be easy.

(Metzenbaum: "We want the files. We think all of the information ought to made public, and we think that there ought to be no cover up."

Hatch: "Well the first request was outrageous and ridiculous. Beyond that their requests are still unreasonable.")

Claiming executive privilege the President denied the first request for full access to the Rehnquist memos. As yet there is no indication whether he will agree to partial access to avoid a subpoena showdown.

(TV coverage: The President and First Lady arriving on South Lawn.)

Republicans say Rehnquist's conservative philosophy has nothing to do with his qualifications to be Chief Justice. Democrats argue it has everything to do with it. Rehnquist, they say, may be too far to the right to be effective at the top. (NBC-5)

BRITAIN/COMMONWEALTH

Donaldson: The showdown within the British Commonwealth over imposing anti-apartheid economic sanctions against South Africa may be at hand. A meeting of seven key Commonwealth leaders began today in London pitting British Prime Minister Margaret Thatcher and her no-sanction policy against all the rest.

ABC's Barrie Dunsmore: For weeks this meeting of six key Commonwealth leaders and Prime Minister Thatcher has been billed as a showdown on the issue of punitive economic sanctions against South Africa. In the 49 nation association of Britain and her former colonies. 48 countries favor sanctions, Britain remains opposed.... Britain, with major trade and investment links with South Africa, has more to lose than any other country in the Commonwealth if full sanctions were imposed. But today was not showdown day.... It is very unlikely that Thatcher is going to do a complete about face at this meeting. She and many Britons have very mixed feelings about the relevance of the Commonwealth. What is more likely is that an agreement will be reached on certain measures, and that time will be allowed to coordinate these measures with Europe and especially with Margaret Thatcher's friend, Ronald Reagan. (ABC-Lead)

Wallace: The Commonwealth is the last vestige of the British Empire and tonight it is split as never before over the issue of South Africa. The leaders of six Commonwealth nations began a summit meeting today with British Prime Minister Thatcher. The key question is whether they can persuade Thatcher to join the growing call for economic sanctions.

NBC's John Cochran: She is the odd person out: Margaret Thatcher. Alone with six men who will try to get her to do what is so very hard for her: to change her mind -- to impose sanctions on South Africa. For the next two days the other Commonwealth leaders will try a little of everything. Sometimes appealing to reason, sometimes resorting to threats. So far without success.

(President Kaunda of Zambia: "From our discussions here with Ms. Thatcher, I didn't see any such hope at all.")

...A new opinion poll shows most of the British people think Mrs. Thatcher is too soft on South Africa.... The head of the Commonwealth is the British Monarch, Queen Elizabeth. But the Queen does not want to see the sun set on her Commonwealth, and in the end it could be her own views more than anyone else's which may persuade Margaret Thatcher that Britain must do more to show its displeasure with racism in South Africa.

Wallace: Opposition to Apartheid is also growing among South African whites. A new poll for the Sunday Times of London found that 45% of whites in South Africa say they are unhappy with their government's racial policy. That's up 13 points from just a year ago. (NBC-Lead)

CBS's Susan Spencer: The leaders of six Commonwealth nations opened their meeting in London today with one message for Britain's Prime Minister Margaret Thatcher: impose sanctions on South Africa and do it now. (CBS-5)

BUSH/MIDDLE EAST

Wallace: Today at the end of his trip through the Middle East Vice

President Bush predicted peace in the region could come in the next decade. And this may be more than just rhetoric. Because NBC's Rick Davis has learned that an important dispute between Egypt and Israel may soon be resolved.

NBC's Rick Davis: Tonight Assistant Secretary of State Richard Murphy arrived in Israel for a meeting with Prime Minister Peres after a quick trip from Egypt. Murphy has been Vice President George Bush's chief advisor in his Mideast tour. Sources in Israel and Egypt say the trip is about a narrow strip of land on the Sinai Peninsula: a place called Taba... Today a high-level Egyptian official said the dispute will be settle or progress made while Vice President Bush is in the Middle East so he can have some of the reflective glory.... Tonight George Bush met with Egypt's President Mubarak while more rumors and informed guesses were circulating. If Taba is resolved, sources here say Mubarak and Peres will meet face to face. The long day in Egypt included a visit to the multi-national force in the Sinai.... The Vice President spoke of peace.

(The Vice President: "I can see a number of ways to build a comprehensive peace in this region. Not this year, next perhaps, but certainly within a decade.")

Until tonight the Vice President's tour of the Middle East seemed just a collection of picture opportunities of a possible Presidential candidate. Today started the same way at Karnak temple in Egypt. But if progress is made on Taba some substance has been added to the tour. (NBC-3)

Spencer: Vice President George Bush is nearing the end of his Middle East trip. He's in Cairo tonight and meets tomorrow with Egyptian President Mubarak. Throughout Bush's three country tour it's been apparent he has politics on his mind. (CBS-6)

BALDRIGE/TRADE

Donaldson: Commerce Secretary Malcolm Baldrige conceded today that selling subsidized wheat to the Soviet Union benefits the Soviet economy. But he defended President Reagan's decision announced on Friday to do so by saying if the United States doesn't make the sale somebody else will. Baldrige called the sale to the Soviets unpalatable since it helps their economy, but if it isn't made he said, our farmers lose and the Europeans win. (ABC-6)

JENCO

Spencer: Islamic Jihad terrorists today flatly denied that they sent any messages out with Father Jenco. They are again threatening the remaining hostages.

CBS's Mark Phillips: A week that had begun in hope with the release of Father Jenco ended with much less hope for the three remaining American hostages in Lebanon. The newspapers of Beirut today printed a statement from the Islamic Jihad which said it was not interested in negotiating for the release of the Americans it's holding. The group restated its demand that those involved in the attack on the American Embassy in Kuwait be released or, it said, "the corpses of David Jacobsen, Terry Anderson, Thomas Sutherland will be found one by one. Father Jenco had said he had brought messages from his captors to the Pope, the Archbishop of Canterbury, and to President Reagan, but today's statement said there had been no offer to negotiate.

(TV coverage: The President and First Lady with Father Jenco.)
...Against this background American diplomatic sources say they have no indication that the release of any more hostages is imminent. The Syrians too say they have little influence over the people holding the American and other hostages. (CBS-Lead)

**ABC's Jerry King: Father Jenco calls the report from Beirut,

"disturbing." He insists he did what he was told.

(Jenco: "I have kept a promise and I'm keeping my promise.")

...He carried a...message to the Archbishop of Canterbury in London, Thursday, and to President Reagan in Washington on Friday.

(TV coverage: The President and the First Lady with Father Jenco.)

Today a usually reliable Beirut newspaper published a letter reportedly from the kidnappers denying the group had sent any messages with Father Jenco. Attached to the letter was a picture of David Jacobsen, one of at least three Americans the group still holds. In refuting Islamic Jihad's denial, Father Jenco seemed to hint the message he delivered may have come from one man not the group.

(Jenco: "I don't know who Islamic Jihad even is. It could be five or six different groups. I am responding and keeping a promise to a man who held me captive and his name is Haj. And I just want Haj to know I've kept my promise and I passed the message on.")

Wallace: The Islamic Jihad terrorist group has sent an angry letter to a Beirut newspaper claiming it never sent messages to President Reagan or the Pope through freed hostage Father Lawrence Jenco. The statement was published this morning along with a picture of David Jacobsen... The group said it would never negotiate with Mr. Reagan whom it called the great Satan, and it threatened to kill the hostages one by one unless it's previous demands are met. (NBC-2)

SHCHARANSKY

Donaldson: Anatoly Shcharansky said today that Soviet authorities have given his mother and other family members permission to leave the Soviet Union and join him in Israel. Shcharansky...got the good news in a telephone conversation with his mother who told him a permit had been granted and she and other family members would leave for Israel in three weeks. (ABC-3)

Spencer: Former Soviet human rights activist Anatoly Shcharansky said today in Tel Aviv that his mother, brother, and the brother's family have been given permission to leave the Soviet Union. (CBS-2)

Wallace reports Shcharansky said their release is part of a new Soviet

effort to improve relations with Israel. (NBC-4)

HELMS/CHILE

Donaldson: Senator Jesse Helms, who's oftened complained about leaks of national security information, is himself being investigated by the FBI as a suspected leaker. This according to sources quoted in today's New York Times, who say the the Senate Intelligence Committee believes someone told the Chilean government about a U.S. intelligence gathering operation directed against Chile.

ABC's Jeanne Meserve: On a visit with Augusto Pinochet last month Senator Jesse Helms was not shy about expressing his displeasure with U.S. policy toward Chile. But there is now suspicion that his support for Pinochet may have involved not just public comments but the passing of secret intelligence information. According to Administration sources it is the timing of events that implicates Helm's Though the basics of the U.S. operation were known to several people in Washington, it was only after Helms staffers received a briefing on the specifics that the Chilean government found them out. Sources say the revelation to the Chileans had an immediate and negative effect on U.S. intelligence sources and methods in Chile. Helms was not available for comment today but told the New York Times "the State Department and the Central Intelligence Agency are constantly trying to discredit me, and they're not going to be able to do it." But members of Congress want the matter investigated.

(Rep. Barnes: "It's outrageous. It certainly should be tracked down and investigated fully by the FBI and other responsible authorities.") ... Helms stand has made it more difficult for the U.S. to persuade Pinochet that the time has come for change in his country, and the leaking of this new information by Helms or someone else is a further setback to U.S.-Chilean relations. (ABC-4)

Wallace: The FBI is reportedly investigating Senator Jesse Helms and his staff to learn if they passed sensitive American intelligence to the government of Chile.

NBC's Jamie Gangel: According to a New York Times report the FBI at the request of the Senate Intelligence Committee is investigating whether Helms or one of his aides tipped off the Chileans about a secret American intelligence gathering operation... Helms called the inquiry a game of intimidation, of harassment, and of leaks. The CIA and FBI would not comment on the investigation but a top State Department official told NBC News the State Department is clearly unhappy about the intelligence leaks. In the past Helms has publicly attacked the State Department's policy which the Reagan Administration has used to show that even conservative Republicans oppose the military dictatorship of Chilean President Pinochet.... Critics of Helms say he has gone too far.

(Rep. Solarz: "And he has otherwise conducted himself in a fashion that has been totally counterproductive from the point of view of the U.S.")

With this inquiry the charges and countercharges are expected to escalate with Helms insisting the White House is opening the door for communists in Chile. But as one Administration official put it, "This investigation may finally prove the White House is willing to take on right-wing dictatorships."

Spencer: The New York Times reported today that the FBI is investigating reports that Senator Jesse Helms or one of his staff leaked classified information to the government of Chile. Helms, who visited Chile as recently as last month, has been an outspoken critic of U.S. policy there. He said the U.S. is not supportive enough of the Pinochet regime. Sources told the Times that the leaked information related to U.S intelligence gathering operations. Helms denies the charges saying, "The State Department and the CIA are constantly trying to discredit me."

THE PRESIDENT/DRUGS

Wallace: In an interview with "Newsweek" magazine President Reagan calls for mandatory drug testing for government workers who have other people's safety in their hands, but voluntary testing for all other federal workers. Mr. Reagan also blames Hollywood and the rock music industry for glamorizing drug use. (NBC-9)

PATCO STRIKERS

Donaldson: It was five years ago today that the nation's air traffic controllers walked angrily off their jobs -- an illegal strike that prompted a tough response from President Reagan: he fired thousands of them. Many controllers are still arguing about whether they did the right thing.

ABC's Ron Claiborne: ...On August 3, 1981 13,000 members of the professional air traffic controllers organization, or PATCO, went on strike in violation of federal law over working hours and wages. Many thought it would be a brief walkout. Few, if any, expected President Reagan to take a hard line. They were wrong.

Claiborne continues:

(The President, Aug. 3, 1981: "They are in violation of the law and if they do not report for work within 48 hours they have forfeited their jobs and will be terminated.")

More than 11,000 PATCO controllers were fired. Four thousand others stayed on the job. One of those who walked was Tony Kelley. Kelley is now an auto body repairman. He makes about half the \$50,000 he earned as an air traffic controller.

(Kelley: "We never thought we would lose. We were too cocky about it. For two years I didn't work. I had a nervous breakdown.)

Jeff Moulson is one of the PATCO controllers who stayed on the job. (Moulson: "In my mind the way I look at it is they tried to blackmail the government and they thought they could get away with it.")

But the majority of PATCO controllers stayed out.... Some say the strike was a mistake.

(Kelley: "The President was right. We cannot strike against the government and he proved his point very well.")

...Last week the House of Representatives defeated a bill that would have required that the next 1,000 air traffic controllers come from the ranks of PATCO. So unless the FAA changes its policy it's very unlikely that the strikers will be back in the towers again.

(ABC-7)

CHEMICAL WEAPONS/LOBBYISTS

Wallace: Two congressmen charge that the Pentagon violated the law by hiring lobbyists and public relations experts to help win approval of new chemical weapons last year. Democratic Representatives Dante Fascell of Florida and Jack Brooks of Texas say their information comes from the GAO and they're asking Defense Secretary Weinberger for an explanation. (NBC-8)

AIDS

Spencer: A new development on the AIDS front tonight. Researchers at the Armed Forces Institute of Pathology say they have discovered a virus in AIDS patients which is not the AIDS virus. In fact it appears to be from a totally new family and they don't know yet just what it is. Questions yet to be answered: Does it somehow work with the AIDS virus to produce disease and could it possibly provide new clues to treatment. (CBS-4)

Moderator: David Brinkley. Panel: George Will, Sam Donaldson.

Guests: Laurence Tribe, Harvard Law School; Paul Bator, Professor of Law, University of Chicago; Sen. Joseph Biden; Senator Orrin Hatch.

Brinkley: Professor Tribe, are you opposed to Mr. Rehnquist for Chief Justice because he is, in your view, too conservative?

Tribe: I actually have not opposed his nomination... At this point, what I think we have is some important unanswered questions, and I think unless they are satisfactorily answered, the new Chief Justice will move the Court and the country into the next century, under a needless cloud as to fundamental issues of integrity and credibility.

Bator: On the ideology side, I think that an attractive case can be made that if the Senate thinks the appointment is unwise they should reject it. But the dominant tradition of the country has been to allow the President considerable leeway in "calling the shots" on what the constitutional philosophy of the nominee should be, and that has been good for the country.

Will: Professor Tribe.... What you call stonewalling is an exercise of executive privilege on the part of the President to protect memos internal of the executive branch from the 1970's. Eisenhower virtually invented executive privilege in its modern form to resist Joseph McCarthy. Did you approve of that then, and if so, why do you disapprove of this now and call it stonewalling?

Tribe: Executive privilege has to give way to constitutional needs for information.

Bator: I don't think it's stonewalling.... What is the relevance of these memos? Rehnquist has been on the Court...for 15 years. He has a public record. We will know -- we know far more about what he's like and what he's going to be like as Chief Justice, form his public record than anything that can be gleaned from 15 year old confidential memoranda of dead issues.

Guests: Senators Biden and Hatch.

Brinkley: Is this simply a case of liberals trying to keep a conservative off the Supreme Court?

Biden: ... I don't think there is a clear consensus that he should not be on the Court, on the part of those who would be categorized as liberals.

Hatch: Senator Kennedy walked in -- for right or wrong -- and started right off saying he's against Mr. Rehnquist even though we have 15 years of tremendous service on the Court....

Will: Is your principle...that you must pick someone who represents the center view in the Court?

THIS WEEK (continued)

<u>Biden</u>: No, you must pick someone as Chief Justice who in fact is willing to, on certain occasions, where the national interest exceeds his personal firmly held belief, that he be willing to compromise on the margins.

<u>Will:</u> Have you any evidence to believe...that there are grounds for questioning Rehnquist, on the ground, say, that he would inject chaos into constitutional law?

Biden: There is not any firm ground. The only thing that's changed for me is this: ...Justice Rehnquist's credibility has come into some question with me.... The question for me is whether or not he would be a good Chief Justice. Number two, for the first time I am beginning to wonder whether he has levelled with us, or he has played a very clever game as to whether or not he defines a word one way, and acts another way.

FREE-FOR-ALL DISCUSSION (Joining panel is Hodding Carter)

On Senator Boren's PAC Limitation bill:

Brinkley: At the moment, they [candidates] can, if they can raise it, get enormous amounts of money. Boren's bill would put some limits on that. Is that a good idea.

Donaldson: Yes it is.... There are so many ways that incumbents can use PACs to their advantage, so much so that a challenger has no chance.

Will: By endorsing restrictions on political fundraising and hence on political expenditures, you are endorsing the single greatest restriction on freedom of speech in this country since the alien and sedition laws. Money is necessary to communicate political ideas.... Suppose someone said, "I am entirely in favor of freedom of the press but we are going to have government regulation of the amount of newsprint you can have."

<u>Carter</u>: ... There is a very real political scandal in that what it costs to run now effectively means that unless you are personally a millionaire or unless you are an incumbent, your chances of getting through the system and getting elected.... For that period of the year which is political I would suggest that there ought to be guaranteed access at a certain level.

Brinkley's Final Word:

Congress next week will be voting to set a new and higher limit on the federal government's debt so the Treasury can borrow more money. Now that is true even though in the last three or four years, if we can believe the claims coming from the White House and Congress, in the last three or four years the deficit has been wiped out and there is no need to borrow any more money. In 1981 the White House claimed it had cut \$130 billion out of future spending. In 1982 Congress passed something called the Tax Equity and Fiscal Responsibility Act and claimed it would reduce the deficit \$100 billion more. In 1984 there was the Deficit Reduction Act claiming to save still another 60 billion...But somehow the more they have claimed to cut the spending the higher the deficit has risen. It is well over \$200 billion year after year. So we might all urge Congress and the White House to stop saving all this money because we can no longer afford it.

Moderator: Marvin Kalb.

Panel: John Dancy, NBC News; Nina Totenberg, National Public Radio. Guests: Sen. Orrin Hatch; Sen. Howard Metzenbaum; Griffin Bell, Former Attorney General; Professor A.E. Dick Howard, Law Professor, University of Virginia.

Kalb: Do you feel that on the basis of the testimony of last Friday...that you'll have to call the Justice back for further hearings?

Hatch: I don't think so. The four Democrats who testified that he was a challenger, I think, are clearly mistaken.

Kalb: Senator Metzenbaum, do you feel that on the issue of executive privilege.... Do you feel that is a looming confrontation?

Metzenbaum: Many of us, Democrats and Republicans on the committee, want the information... We hope that we can avoid a confrontation... We think that information... ought to be put out on the table.

Totenberg: You heard four witnesses, three of whom knew Justice Rehnquist and identified him as a person who was challenging...voters. Do you think those people were lying?

Hatch: I won't call them liars, but I will say this, it was 24 years ago. How many people remember the details that they did 24 years ago.

Kalb: Senator Metzenbaum, are you suggesting that he's [Rehnquist] not telling the truth?

Metzenbaum: I have difficulty in accepting his candor....

Dancy: You seem to be saying that the man who is about to be confirmed as Chief Justice of the U.S. is a racist. Is that your position?

Metzenbaum: No, I think I'm saying more than that.... I'm concerned about his integrity and -- in relating the facts in the past to the committee and I believe very strongly that that kind of issue relates so directly to whether or not this man can be the Chief Justice of the U.S.

Totenberg: We are told that Senator Laxalt was trying to negotiate a compromise on the request for documents. Is Senator Laxalt negotiating in a vacuum or what?

Hatch: If it can be narrowed and it's a reasonable request, maybe there's something -- can be done.

Dancy: You've got the Scalia hearings coming up this coming week. Have you done a similar check of Justice Scalia's property?

Metzenbaum: I can't tell you at this moment, because I've been preoccupied with a matter called the Rehnquist confirmation process and have not given my direct attention to the Scalia matter.

MEET THE PRESS (continued)

Guests: Judge Bell and Professor Howard.

Kalb: Judge Bell, Do you feel...that President Reagan is trying to push the Court too far to the right?

Bell: No, no, I don't think so. He ran as a conservative and he carried 49 states. The American people apparently are somewhat conservative in their views and he's only had two appointments.

Kalb: Professor Howard...Isn't there some merit in trying to seek people who reflect the middle of the road rather than one point of view, extreme liberal or conservative?

Howard: ... I would not be quick to predict that assuming Rehnquist becomes Chief Justice and Scalia becomes an Associate Justice that somehow the Court will veer to one particular extreme point of view. I think that's not likely to happen.

Totenberg: Do you think that the President should invoke executive privilege...?

Bell: I do. Were I attorney General, I'd recommend to him that he invoke attorney privilege -- executive privilege. I can't think of anything more mischievous than having the Senate rummage around in the files in the Office of Legal Counsel.... Why should a lawyer be allowed to make files available that belong to a client.... I would not make the files available myself.

Dancy: Women and blacks have said that they fear for their rights if Justice Rehnquist becomes the Chief Justice of the U.S. Do they have any reason to fear?

Howard: If they have something to fear, it's not from Rehnquist himself, it's from five votes on the Court.... To the extent that the Court has veered to the right in those cases it's been because of a majority of Justices, not because of Rehnquist.

<u>Dancy</u>: Do you expect that the Rehnquist nomination is going to mean -- confirmation is going to mean more power to the states?

Bell: Justice Rehnquist is a strong believer in federalism and tends back to what the framers had in mind when you had a balance between the states and the federal government... He can't put his views in without getting four additional votes. But his views are not extreme on federalism.

Moderator: Lesley Stahl.

Guests: Malcolm Baldrige, Secretary of Commerce; Rep. Tony Coelho; Rep. Guy Vander Jagt.

Stahl: We interviewed Secretary Baldrige earlier and asked him if he thought the President's decision this week to subsidize sales of wheat to the Soviet Union until September 30th is enough to help American farmers.

Baldrige: ... Nobody likes subsidies. We are trying to negotiate other nations out of them. But if we just quit, pick up our marbles and go home, our farmers lose and the Europeans win, because they will keep on getting more and more grain sales.

Stahl: Why don't you right now say we are going to subsidize American farmers in their sales to the Soviet Union as long as the Europeans are doing it, and make it something more permanent and actually in effect threaten the Europeans?

Baldrige: ...It may be that we will come to that in the future. But I think we ought to leave all of our options open. I think that's the best negotiating tactic to have. The Europeans certainly understand what we are doing on this particular wheat sale.

Stahl: What about the argument that both Secretary Shultz and Secretary Weinberger make, that what you are in effect doing now is subsidizing the Soviet economy.

Baldrige: ...We had some difference of opinion inside the Administration on that subject... Secretary Shultz was thinking about the possible harm that this might cause the Australians and some of the others of our allies who don't subsidize.... What we should do is not hurt our farmers now but try and negotiate out subsidies around the world and get back to a free market system.

Stahl: There's a bill that the President vetoed that would help the textile manufacturers in this country by imposing quotas against foreign imports. Do you think that Congress is going to override his veto?

Baldrige: I think it will be very close. I think we have a lot of work to do between now and next Wednesday when that veto override bill comes up. I think the President has taken the right position.... You just can't take an action without having a reaction in the world today. That doesn't mean we should run scared, but it does mean we should take that into account.

Stahl: How certain are you that the Japanese are actually going to start buying a lot of American semiconductors?

Baldrige: What it does is stop them dumping in the United States, stops them dumping in third world countries that could ship into the United States, and gets their agreement to open up their markets to U.S. chips.

FACE THE NATION (continued)

Stahl: I've heard from a source that you were so upset that the Administration wasn't being tougher on the Japanese in some of these trade negotiations that you actually threatened to resign over it. Is that true?

Baldrige: No, I've never threatened to resign.... That isn't my style. I have thought in the past that we in the Administration were not strong enough with the Japanese, among others. I don't have that reservation anymore, not since last September when the President came out with his new trade program.

Stahl: Do you have any predictions yourself about just how the economy is going to play out as this campaign draws along?

Baldrige: Yes I do. I think it's amazing, particularly when...a lot of the press act as if the economy is going to just go into a recession at any moment.... They haven't wanted to give any credit for the staying power that this economy has shown.

Guests: Rep. Coelho, Rep. Vander Jagt.

Stahl: What about the...argument that Secretary Baldrige made about jobs in general will be lost if the basically protectionist bill that his is, the textile bill is, is passed?

Coelho: Our problem is that when Secretary Baldrige talks about retaliation, we feel like we have already been retaliated against.

Stahl: How concerned are you that this [trade] is going to become the issue of the campaign and really hurt Republicans almost everywhere?

<u>Vander Jagt</u>: The Democrats are...in desperate shape going into the 1986 elections, and desperately grabbing for any issue that they can get a hold upon, and seize upon the difficulties of the textile industry.

Stahl: You are out trying to raise some money by suggesting that he [President Reagan] might be able to run for a third term... Isn't that really what you are up to, just raising money with this idea?

<u>Vander Jagt</u>: It takes a lot of money, to reach 10 million Americans, and we think it's only when the Democratic House feels the heat that they are going to see the light and actually have a vote.

Coelho: I think the issue here is that Guy can go ahead with his 22nd Amendment -- we happen to support it as Democrats -- but it's interesting to me that what Guy is really doing is saying he has no faith in the future of the Republican Party, because he wants to reach to the past instead of to the future.

Vander Jagt: I think we've made news here this Sunday morning in that Tony Coelho supports my repeal of the 22nd Amendment, and this week Paul Kirk also supported that amendment to give Ronald Reagan a chance to run for a third term. Now let's see if Tony and the National Democrat Chairman give us a vote in the House of Representatives.

THE McLAUGHLIN GROUP

Moderator: John McLaughlin. Panel: Jack Germond, Robert Novak, Hodding Carter, William Greider.

On Rehnquist Hearings:

McLaughlin: Are the Democratic liberals who oppose Rehnquist doing so on the merits of his record, or...[do they] want to discredit Ronald Reagan's criteria for changing the judiciary?

Novak: This is a disgusting exercise...because they're going back to incidents that occurred before two prior Senate confirmations for Justice Rehnquist.... It's all knee-jerk left-wing ideology.

Germond: There are two questions here: One is the question of whether you are attacking him on his views.... There is another question: that is this disingenuous behavior of Rehnquist and what he remembers from 20 years ago on ballot security.

Greider: Here's a man we're told is a real "legal eagle", great intellect, etc. He buys a house in Arizona...and Vermont...with a restrictive covenant...and he said, "I didn't read the title". We all know in our guts that he's lying through his teeth.

Carter: This is, in fact, the man the President ought to nominate: a fellow who has been virtually blind to questions of racial and civil rights for a long time; a person who has proved it both by what he doesn't do and what he does do, and therefore he adequately represents the President.

McLaughlin: How many [senators on the committee] will vote against Rehnquist?

Carter: No more than five. Novak: I think it will be more like four.

Germond: Four or five but you can't tell yet because we haven't run the course on this and pulled all the string out.

Greider: I think that...there'll be five or six votes.

McLaughlin: It's probably going to be closer to two.

On South Africa:

McLaughlin: Is this Administration bankrupt in its policy making on South Africa, and is it bankrupt in its strategizing on this issue?

Germond: They have compounded the felony.... Why in the world they did that textile thing when you had a fire about to light, I'll never understand.

Greider: I don't know that there's that much confusion. This President on every issue has been the white man's President for six years, and he is going to hold that ground.

MCLAUGHLIN GROUP (continued)

Novak: President Reagan has not changed on the sanction question. He is still opposed to sanctions; he is being pulled by Secretary Shultz.... People in the real world don't care about this issue.

Carter: It is a totally bankrupt policy.... All it guarantees is in the end we will have nothing to say about what happens in Southern Africa.

On Bush in Middle East:

McLaughlin: Will this trip yield political mileage for George Bush's flagging candidacy?

Carter: The only reason he went there was to do something about his candidacy.... Watching George Bush...kissing the wall only changes his usual position because he was on his feet.

On Tax Reform:

McLaughlin: Can the conferees pay for everything out of the hide of big business?

Novak: ... They could have had this bill all finished by now, but the House Democrats just wanted to play a little politics.

McLaughlin: Will the President have a tax reform bill on his desk by Labor Day?

Carter, Novak, Germond, Greider, McLaughlin: No.

Predictions:

<u>Carter</u>: Once more wrong on strategy the President's gonna be right on <u>tactics</u>. There will be no congressional sanctions voted and he'll preempt it over the break.

Novak: Against the wishes of Secretary of State Shultz, of some of his strongest advisors, of all anti-communists, and of his allies, President Reagan will agree to subsidized wheat exports for the Soviet Union.

Germond: We have this first sort of mini-test of 1988 Republican presidential prospects in Michigan.... Bush has raised the stakes so high for himself he will probably get a black eye out of it.

Greider: After people get tired of talking about Paul Laxalt the next boomlet for a Republican is going to be for George Bush's manager, the Treasury Secretary, Mr. Baker, who will actually make a plausible candidate since he's already had the job.

McLaughlin: Ronald Reagan's vetoed the textile quota bill. This Tuesday or Wednesday the House will override the veto. The following day, however, the Senate will sustain the veto, which means that the trade textile quota bill is dead.

AGRONSKY & COMPANY

Moderator: Martin Agronsky. Panel: James Kilpatrick; Strobe Talbott; Christine Dolan, CNN; Carl Rowan.

On Rehnquist Hearings:

Agronsky: Is this nomination in trouble, and should it be?

Kilpatrick: It is not in trouble.

Rowan: No.... I would probably vote against him for mindset or ideological reasons, but not for the things that have come up in these hearings.

Dolan: I think he will be confirmed, but I'm not sure that he should be confirmed.

Talbott: He's in a lot more trouble than many of expected just a few days ago, but a lot of what's going on here is the Democrats on the committee are playing politics looking towards the fall.

Agronsky: Would you regard the charges levelled against Justice Rehnquist as significant?

Dolan: When we're talking about the Chief Justice of the U.S. you have to raise the issue of impeccability....

Rowan: I think the biggest cloud thrown over the man is the White House's refusal to let them see the documents he wrote about wire tapping, the Houston Plan, the various other surveillances of American protesters.

Agronsky: Sen. Simon pointed out that Mr. Reagan himself once observed that congressional requests for information from the Executive branch should generally be complied with and that Executive Privilege, to quote President Reagan, will be asserted only to the most compelling circumstances. What are the compelling circumstances?

Kilpatrick: I don't know what the circumstances are. I do think it's a fishing expedition.

 $\overline{\text{Talbott}}$: The Democrats...sense that they've got the Republicans $\overline{\text{vulnerable}}$ and on the defensive on an issue and they're going to keep this controversy going for the next six weeks or so...in hopes of making the Republican party look insensitive to civil rights and minority interests in time for the election this fall.

Agronsky: Do you think he'll be confirmed?

Dolan, Talbott, Kilpatrick, Rowan, Agronsky: Yes.

On South Africa: On Friday the Senate Foreign Relations Committee voted 15-2 what is known as the Lugar Bill calling for sanctions against South Africa.... Do you think the Senate has met its duty and obligations in passing this legislation?

AGRONSKY & CO. (continued)

Rowan: It certainly has met part of its duty. It has put the U.S. on record insofar as the Senate speaks for it... I don't think what comes out of that House-Senate reconciliation is going to be vetoed by Mr. Reagan. I think he learned a lesson with that sad speech he gave days ago.

<u>Kilpatrick</u>: You're gonna get a bill.... A bill will be sent to the President and I think he will sign it, the political pressure has gotten this strong, and I think it will be a mistake.

Talbott: That's the key question: Do sanctions help end the system of apartheid? And, boy, I'm sure not convinced that they do. I think it's pretty clear that constructive engagement, the Reagan Administration approach to South Africa wasn't doing any good, but I don't have any hope at all that sanctions are going to make a positive difference.

On Drugs:

Agronsky: We have a Justice Department proposal saying that any members of the federal government who are found to have been drugs should be dismissed arbitrarily. What do you think?

Rowan: I hope this campaign that the White House is touting is more than $\overline{\text{talk}}$ You got to chip in some money if you're going to deal with this problem.

On 22nd Amendment: Rep. Vander Jagt has proposed the 22nd Amendment be repealed so that Mr. Reagan presumably could run for life.

Kilpatrick: This is the silly season. It's not going to happen.

Dolan: I think it's a good fundraising gimmick. And it'll probably raise a lot of money.

-End of News Summary-



News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, AUGUST 4, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Soviet Will Allow Shcharansky Kin To Leave Country -- The mother and brother of Anatoly Shcharansky, the Soviet human rights activist who was freed in February after nine years in prison and labor camps, have received permission to join him in Israel, the brother said today.

(New York Times, Washington Post, Reuter)

Commonwealth, Thatcher Moving Toward Compromise -- Leaders of six Commonwealth countries meeting with Britain in a minisummit in London yesterday appeared to be moving away from confrontation with British Prime Minister Margaret Thatcher and toward a compromise on South African sanctions. (New York Times, Washington Post, Washington Times)

NATIONAL NEWS

Reagan Gears Up For Anti-Drug Crusade -- President Reagan, gearing up for his national crusade against drugs, is enlisting help from a few close political allies -- his Cabinet and Republican congressional leaders.

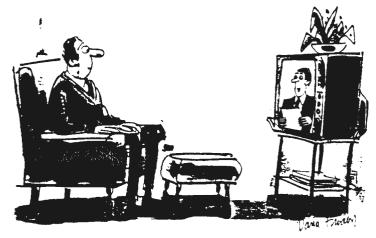
(Washington Post, Washington Times, UPI)

NETWORK NEWS (Sunday Evening)

JUSTICE REHNQUIST/JUDGE SCALIA
-- The Senate Judiciary Committee
turns its attention to Antonin
Scalia and Democrats are still
demanding a look at the papers
William Rehnquist wrote during
the Nixon presidency.

BRITAIN/COMMONWEALTH -- The leaders of the six Commonwealth nations began a summit meeting with Prime Minister Thatcher to discuss sanctions against South Africa.

VICE PRESIDENT BUSH/MIDDLE EAST
-- Vice President Bush predicted
that peace in the region could
come in the next decade.



"Today, not only did the President refuse to answer reporters' questions but every single official in the country, high and low, also refused to answer reporters' questions."

DISSIDENT'S KIN TO EXIT U.S.S.R.

JERUSALEM -- Freed Soviet human rights activist Anatoly Shcharansky said today that his mother, brother and other family members have been granted permission to leave the Soviet Union and come to Israel.

Shcharansky, who was released from a Soviet jail in February and flown to Israel, attributed the decision to release his family to diplomatic pressure from the United States and to a recent thaw in Soviet-Israeli relations that some analysts here believe may eventually lead to renewed diplomatic ties between the two countries.

(Glenn Frankel, Washington Post, A1)

Soviet Will Allow Shcharansky Kin To Leave Country

MOSCOW -- The mother and brother of Anatoly Shcharansky, the Soviet human rights activist who was freed in February after nine years in prison and labor camps, have received permission to join him in Israel, the brother said today.

Western diplomats said the approval of exit visas was a sign that Mikhail Gorbachev was prepared to resolve some human rights cases to improve relations with the West and to limit unfavorable publicity about the Soviet Union.

(New York Times, A1)

Shcharansky Says Mom And Brother To Join Him In Three Weeks

TEL AVIV -- Former Soviet dissident Anatoly Shcharansky says his mother and brother will be allowed to leave the Soviet Union and join him in Israel within three weeks.

He said on Israeli radio yesterday that he believed the move by Soviet authorities was part of their effort to improve ties with Israel.

(Gail Fitzer, Reuter)

LEADERS TRY FOR PACT ON S. AFRICA

LONDON -- Leaders of seven Commonwealth nations began a three-day meeting today to discuss sanctions against South Africa and its policy of apartheid amid indications that they would seek a compromise between the prosanctions majority and British Prime Minister Margaret Thatcher's antisanctions stance.

Zambian President Kenneth Kaunda, who has threatened to take this country out of the organization if Thatcher does not bend, said this morning that he would consider an agreement that effectively would delay Commonwealth sanctions for long enough to coordinate measures with other western industrialized countries and international organizations.

(Karen De Young, Washington Post, A1)

Commonwealth, Thatcher Moving Toward Compromise

LONDON -- Leaders of six Commonwealth countries meeting with Britain in a minisummit in London yesterday appeared to be moving away from confrontation with British Prime Minister Margaret Thatcher and toward a compromise on South African sanctions.

Britain was reported ready to impose some sanctions in return for some Commonwealth countries dropping their more extreme demands -- including threats to leave the 49-nation organization -- and a delay in the implementation of measures while they are coordinated with the United States, the European Community, the Commonwealth and Japan.

(Peter Almond, Washington Times, A1)

Britain Cautions On Economic War Among Africans

LONDON -- Britain warned a conference of Commonwealth leaders at its opening session today of the danger of "economic warfare" in southern Africa.

The seven leaders, including Prime Minister Margaret Thatcher of Britain, agreed there had not been "adequate progress" toward the dismantling of apartheid and the start of negotiations in South Africa since last October. It was then that Mrs. Thatcher withstood pressure from the other heads of government in the 49-nation Commonwealth group at a meeting in the Bahamas to agree to a substantial program of sanctions.

(Joseph Lelyveld, New York Times, A1)

U.S. AND ALLIES DISCUSS PRESSURING PRETORIA

BONN -- Calling the situation in South Africa "bleak," a senior U.S. government official said the United States and some of its European allies are discussing measures short of outright economic sanctions they might take against Pretoria if it fails to respond to Western pressure for change.

The official said the talks covered the type of punitive steps that could be adopted against Pretoria if it continues to reject dialogue with black leaders, and focused on possible coordination between U.S. and European moves. (Reuter story, Washington Times, A8)

CONSERVATIVES ON HILL MOUNT SDI OFFENSIVE

Conservative leaders in both houses of Congress have mounted a major effort to reverse President Reagan's apparent decision to use concessions on his Strategic Defense Initiative as a lure to the Soviets on arms control talks.

The leaders -- a number of whom have requested an urgent meeting with the President this week -- believe Mr. Reagan has seriously miscalculated the effect reports of his recent letter on arms control to Soviet leader Mikhail Gorbachev will have on the SDI program's funding by Congress. (Tom Diaz, Washington Times, A1)

IT MAY SURPRISE YOU, BUT THERE'S NO U.S. DEFENSE AGAINST MISSILE ATTACKS

Worried by the growing capability of Soviet missiles, bombers and submarines, and encouraged by new technologies, the Pentagon has launched a multibillion-dollar program to fill a void in U.S. defenses.

The United States has no means of shooting down intercontinental ballistic missiles. And American forces, which in the early 1960s had 490 anti-aircraft missiles in North America, now has no such weapons on the continent.

An Associated Press-Media General Inc. poll released Monday found that nearly six out of 10 Americans believe the United States can defend itself against a missile attack, although 46 percent of the respondents said they did not know what made up the air defense system.

(Bryan Brumley, AP)

WHEAT SALE TO BAIL OUT THE SOVIETS

Commerce Secretary Malcolm Baldrige yesterday defended the Administration's decision to subsidize wheat sales to the Soviet Union but admitted the sales will help bail out the ailing Soviet economy.

European traders, he said, will continue to subsidize wheat, and unless the United States matches world prices, U.S. farmers will lose sales.

(Bill Gertz, Washington Times, A2)

A WARNING FROM ISLAMIC JIHAD

BEIRUT -- Moslem fundamentalists holding three Americans hostage said they will not negotiate with President Reagan, the Pope or the Archbishop of Canterbury and did not send the message through freed hostage Lawrence Jenco.

In a statement published Sunday in the independent newspaper An Nahar, Islamic Jihad said it will kill the Americans unless its demands are met. The pro-Iranian group has demanded the release of 17 Shiite Moslems jailed in Kuwait for a series of bombings. (UPI)

BUSH SAYS MIDEAST IS RIPE FOR PEACE

EL GORAH, Egypt -- Vice President George Bush said today there is a "growing consensus" among nations in the Middle East for a resolution of the Arab-Israeli conflict and he predicted that a "comprehensive peace" could be built within the next decade.

In remarks to soldiers in the 11-nation force and observers policing the border between Egypt and Israel, Bush said he has seen "a marked change in the mood in this region" during his tour. The Vice President was previously in Israel and Jordan and will hold talks Monday with Egyptian President Hosni Mubarak.

(David Hoffman, Washington Post, A17)

Bush Sees Peace Consensus Producing A Middle East Settlement In 10 Years

CAIRO -- Vice President George Bush yesterday predicted a regional Middle East peace settlement will be achieved within 10 years.

"I can see a number of ways to build a peace in this region -- not this year or next year, perhaps, but certainly within a decade," he said. (Reuter story, Washington Times, A8)

Bush To Meet Mubarak As Middle East Tour Winds Down

CAIRO -- Regional politics and an Egyptian plea for U.S. aid top the agenda as Vice President George Bush begins the final stretch of a Middle East tour punctuated by his prediction of peace within a decade.

His talks with Anwar Sadat's successor, Hosni Mubarak, were to include in-depth discussion of the peace process Sadat helped pioneer as well as Taba, the land dispute hindering normalized relations between Egypt and Israel. (Norman Sandler, UPI)

BUSH'S ADVANCE MEN: WHO ARE THESE GUYS, ANYWAY?

Vice President George Bush continues to muddle through the Middle East, plagued by embarrassing -- and even astonishing -- missteps by his advance team.

The Los Angeles Times reported that the Vice President's advance men, while making final preparations for last week's visit to Jordan, demanded helicopters be furnished the entire party. When the Jordanians pointed out their tiny air force didn't have that many helicopters, a Bush aide suggested they borrow some from Israel.

Lack of progress on the volatile and intractable problems of the Middle East is not nearly as vexing, nor as eye-catching, as the fumbles of Mr. Bush and his advance men. Some Administration officials are expressing reservations about the handling of the Vice President's trips.

As a presidential contender, Mr. Bush has to conduct all his business -- particularly sensitive foreign missions -- under the klieg lights. They tend to magnify his errors.

(Roger Fontaine, News Analysis, Washington Times, A1)

FOR ORTEGA, A TASTE OF POLITICAL IMAGE-BUILDING

CHICAGO -- In a face-off that mingled the improbable and the practical, conservative Rep. Robert Dornan offered some image-polishing advice to Nicaraguan President Daniel Ortega Saturday night -- and the Sandinista leader said he would take it.

Dornan's point, driven home with his rapid-fire style, was that Ortega should not become too closely connected with U.S. liberals as he continues his U.S. tour, designed to rally opinion against the Reagan Administration's support for anti-Sandinista rebels.

(Kevin Klose, Washington Post, A1)

HELMS SHOULD HAVE BEEN TOLD ABOUT PROBE, COLLEAGUES SAY

Some Republicans on Capitol Hill say they are surprised that Sen. Jesse Helms did not learn in advance of an apparent FBI investigation into allegations that he or one of his aides passed information to the Chilean government regarding U.S. intelligence-gathering.

"Durenberger should have talked to Helms before starting an investigation," said a GOP source close to Mr. Helms. "Helms didn't know till a reporter called him." (Ralph Hallow, Washington Times, A5)

EDITOR'S NOTE: "'New Nicaraguans' Emerging," by Joanne Omang, appears in The Washington Post, A1.

NOT JUST A 'MOTHERHOOD ISSUE'

President Reagan will open a second front in the Administration's highly ballyhooed "war on drugs" today when he launches a campaign that has the lofty goal of eliminating drug abuse from the nation's schools and work places.

Reagan has a genuine opportunity to overcome the cynical view that politicians are content to deplore drug use without really doing anything about the problem. Reagan's genius as a communicator is that he is able to elevate motherhood issues to matters of national importance. He has made both cheerfulness and patriotism fashionable. Three years ago he assembled a collection of ordinary and common-sense views on education and turned around public opinion.

This is the issue that the President -- and Congress, too, if it dares to go that far -- will be up against if he succeeds in convincing the nation that drug abuse can be dealt with as well as deplored. Seen in these terms, it may not be such a motherhood issue after all.

(Lou Cannon, Washington Post, A2)

President Reagan/Drug Abuse

President Reagan, in an interview in the current Newsweek, linked Hollywood and the music industry as contributors to widespread drug abuse.

The former actor said recent films portray drug use as "attractive and funny, not dangerous and sad." As for the music industry, Reagan said popular musicians "make no secret of the fact that they are users."

The President's comments reflected a concern voiced by some groups recently over how the influence of popular music is used. Reagan said the idea of making drugs difficult to obtain is only part of the solution and "the main thrust has got to be to get people themselves to turn off on it."

(Todd Yasui, Washington Post, B3)

President Prepares Drug War

President Reagan is poised to launch a major anti-drug campaign but hasn't decided yet how it will be waged in the federal workplace, Administration sources said yesterday.

Mr. Reagan, who will speak out against drug abuse in several speeches this week, is expected to propose drug testing for federal employes.

The scope of such testing, however, has not been decided because the recommendations of department and agency heads still are being reviewed, sources said. (Mary Belcher, Washington Times, A5)

Reagan Gears Up For Anti-Drug Crusade

President Reagan, gearing up for his national crusade against drugs, is enlisting help from a few close political allies -- his Cabinet and Republican congressional leaders.

Reagan was scheduled to discuss drug policy proposals twice today, with Cabinet members in the morning and GOP leaders in the afternoon.

(Helen Thomas, UPI)

DEMOCRAT SAYS LIBERALS STILL DIVIDED ON REHNQUIST NOMINATION

Although many Democrats are criticizing the record of Supreme Court Justice William Rehnquist, liberals have reached "no clear consensus" on elevating him to chief justice, Sen. Joseph Biden says.

"There are clearly those who would be characterized as liberals who would very much like to see him off the court, or at least not in the position of chief justice," the senator said on ABC-TV's "This Week With David Brinkley."

"And there are others who would be characterized as liberals who are not quite sure he should be elevated to chief justice, but I don't think there's a clear consensus that he should not be on the court," Biden added.

(Rita Beamish, AP)

SUBPOENA OF REHNQUIST DOCUMENTS LOOMS CLOSER

A Senate vote to subpoena documents written by Justice William Rehnquist loomed more likely as Administration and legislative negotiators failed to break an impasse over their release.

Senate Judiciary Committee Democrats and Administration representatives negotiated through the weekend to try and reach a compromise for the release of documents Rehnquist wrote while he served as head of the Office of Legal Counsel under President Nixon in the early 1970s.

The White House Sunday referred all questions concerning the documents to the Justice Department. Justice Department spokesman Terry Eastland said the status on the release of the documents had not changed. (UPI)

Bell Opposes Opening Of Rehnquist's Files

With the Senate Judiciary Committee set tomorrow to consider the Supreme Court nomination of U.S. Circuit Judge Antonin Scalia, President Reagan has received unexpected support from President Carter's attorney general on another appointment.

"I can't think of anything more mischievous than having the Senate rummage around in the files of the Office of Legal Counsel," Griffin Bell said. "After all, this is a lawyer for the President of the United States."

(Ed Rogers, Washington Times, A1)

SCALIA NOMINATION UP THIS WEEK

The Senate Judiciary Committee, hardly recovered from four bruising days of hearings on Justice William Rehnquist's nomination as chief justice, opens new hearings on another high court nominee -- Antonin Scalia.

The committee is scheduled to move Tuesday to the nomination of the

first Italian-American to the nation's highest court.

Unlike the Rehnquist confirmation hearings -- filled with charges that he harassed voters in the 1960s and that his ideology is too extreme -- no surprises are anticipated during the proceedings for Scalia.

(Judi Hasson, UPI)

REBUILDING FAA: HIGH COST, HIGH RISK

The government is engaged in a multibillion-dollar computer acquisition program that has fallen behind schedule and will cost billions more than planned.

It sounds like a Pentagon procurement. Instead, it's the Federal Aviation Administration's \$12 billion replacement air traffic control system, a super computer-radar network that is supposed to permit more flights and increase safety while reducing the number of people required to control air traffic. (Douglas Feaver, Washington Post, A1)

CLAIBORNE IMPEACHMENT STALLS

The Senate, rushing to wrap up several controversial issues before leaving Aug. 15 for a month-long summer vacation, has infuriated members of the House Judiciary Committee by refusing to start action on the impeachment trial of jailed U.S. District Court Judge Harry Claiborne.

Rep. Robert Kastenmeier, who drew up the articles of impeachment against Claiborne, called the Senate action "outrageous."

(Mary Thornton, Washington Post, A1)

INTERIOR DEPT. SEEKS TO GIVE PUBLIC LAND TO ENERGY FIRMS

The Interior Department is seeking to give more than 82,000 acres of public lands in Colorado to major energy companies, saying it is "no longer in the public interest" to contest old mining claims on the land.

In a legal settlement awaiting Justice Department approval, Interior proposes to grant title to some of the nation's richest oil-shale deposits to Tosco Corp. of California, Exxon Co., Union Oil Co. of California, Phillips Petroleum Co. and several other oil firms for a nominal fee of \$2.50 an acre.

(Cass Peterson, Washington Post, A3)

EDITOR'S NOTE: "In Missouri Race, It's The Year Of The Ad," by Paul Taylor, appears in The Washington Post, A6.

(Sunday Evening, August 3, 1986)

REHNQUIST/SCALIA

ABC's Sam Donaldson: The Senate Judiciary Committee turns its attention this week to President Reagan's nomination of Judge Antonin Scalia to be an Associate Justice of the Supreme Court. Hearings begin on Tuesday. But the fight within the committee over the nomination of William Rehnquist to be Chief Justice isn't over. Democrats are still demanding a look at papers the Administration is withholding on the grounds of executive privilege. The Administration doesn't seem to be in the mood to compromise.

ABC's Kenneth Walker: Controversy continued today over President Reagan's claim of executive privilege for memos William Rehnquist wrote while in President Nixon's Justice Department, giving advice on some of the abuses in the Watergate era.

(Sen. Metzenbaum: It's a bipartisan effort to get the information. And I believe that we should get the information. We're talking about a period of time when this man was the head of the office of legal counsel and at that point there was wiretapping, there was electronic surveillance, there were break-ins."

Sen. Hatch: "This is what you call a fishing expedition by a bunch of Senators who really don't have anything else to do.")

The controversy began last week when Rehnquist was asked whether he had a problem with releasing the documents.

(Rehnquist: "I would certainly waive any claim that I have so far as the Justice Department is concerned.")

President Reagan, of course, was unwilling, but Republicans and Democrats are discussing a possible compromise. That controversy aside, as Senator Joseph Biden explained on "This Week With David Brinkley", that Rehnquist's credibility in responding to charges of intimidating minority voters and holding property deeds with racially restrictive covenants now has become an issue.

(Sen. Biden: "Justice Rehnquist's credibility has come into some question with me. For the first time I am beginning to wonder whether or not he has levelled with us or he has played a very clever game as to whether or not he defines a word one way and acts another way.")

Rehnquist's nomination still seems assured but the President now must decide whether his controversial claim of executive privilege endangers the nomination either by provoking a filibuster by Democrats or by releasing documents damaging to Rehnquist. (ABC-5)

NBC's Chris Wallace: The confirmation of William Rehnquist as Chief Justice of the Supreme Court could be held up in a battle over sensitive papers written by Rehnquist years ago. A bipartisan group of senators wants access to those papers but President Reagan refuses to hand them over claiming executive privilege.

NBC's Candace Crowley: In search of Nixon-era documents written by Justice Rehnquist, Democrats on the Judiciary Committee believe their hand may be strengthened by two moderate Republicans: Senators Charles Mathias and Arlen Specter.

Crowley continues: Both have expressed an interest in seeing the documents and their votes would give the Democrats the majority they need for a subpoena. But Democrats hope it will not come to that.

(Metzenbaum: "I do know that the Democrats want -- and some Republicans as well -- I want to make it clear it's a bipartisan effort to get the information.")

... The man charged with finding some middle ground short of a subpoena is Senator Paul Laxalt, a close Reagan friend. His task will not be easy.

(Metzenbaum: "We want the files. We think all of the information ought to made public, and we think that there ought to be no cover up."

Hatch: "Well the first request was outrageous and ridiculous. Beyond that their requests are still unreasonable.")

Claiming executive privilege the President denied the first request for full access to the Rehnquist memos. As yet there is no indication whether he will agree to partial access to avoid a subpoena showdown.

(TV coverage: The President and First Lady arriving on South Lawn.)

Republicans say Rehnquist's conservative philosophy has nothing to do with his qualifications to be Chief Justice. Democrats argue it has everything to do with it. Rehnquist, they say, may be too far to the right to be effective at the top. (NBC-5)

BRITAIN/COMMONWEALTH

Donaldson: The showdown within the British Commonwealth over imposing anti-apartheid economic sanctions against South Africa may be at hand. A meeting of seven key Commonwealth leaders began today in London pitting British Prime Minister Margaret Thatcher and her no-sanction policy against all the rest.

ABC's Barrie Dunsmore: For weeks this meeting of six key
Commonwealth leaders and Prime Minister Thatcher has been billed as
a showdown on the issue of punitive economic sanctions against South
Africa. In the 49 nation association of Britain and her former
colonies. 48 countries favor sanctions, Britain remains opposed....
Britain, with major trade and investment links with South Africa, has
more to lose than any other country in the Commonwealth if full
sanctions were imposed. But today was not showdown day.... It is
very unlikely that Thatcher is going to do a complete about face at
this meeting. She and many Britons have very mixed feelings about
the relevance of the Commonwealth. What is more likely is that an
agreement will be reached on certain measures, and that time will be
allowed to coordinate these measures with Europe and especially with
Margaret Thatcher's friend, Ronald Reagan. (ABC-Lead)

Wallace: The Commonwealth is the last vestige of the British Empire and tonight it is split as never before over the issue of South Africa. The leaders of six Commonwealth nations began a summit meeting today with British Prime Minister Thatcher. The key question is whether they can persuade Thatcher to join the growing call for economic sanctions.

NBC's John Cochran: She is the odd person out: Margaret Thatcher. Alone with six men who will try to get her to do what is so very hard for her: to change her mind -- to impose sanctions on South Africa. For the next two days the other Commonwealth leaders will try a little of everything. Sometimes appealing to reason, sometimes resorting to threats. So far without success.

(President Kaunda of Zambia: "From our discussions here with Ms. Thatcher, I didn't see any such hope at all.")

...A new opinion poll shows most of the British people think Mrs. Thatcher is too soft on South Africa.... The head of the Commonwealth is the British Monarch, Queen Elizabeth. But the Queen does not want to see the sun set on her Commonwealth, and in the end it could be her own views more than anyone else's which may persuade Margaret Thatcher that Britain must do more to show its displeasure with racism in South Africa.

Wallace: Opposition to Apartheid is also growing among South African whites. A new poll for the Sunday Times of London found that 45% of whites in South Africa say they are unhappy with their government's racial policy. That's up 13 points from just a year ago. (NBC-Lead)

CBS's Susan Spencer: The leaders of six Commonwealth nations opened their meeting in London today with one message for Britain's Prime Minister Margaret Thatcher: impose sanctions on South Africa and do it now. (CBS-5)

BUSH/MIDDLE EAST

Wallace: Today at the end of his trip through the Middle East Vice

President Bush predicted peace in the region could come in the next decade. And this may be more than just rhetoric. Because NBC's Rick Davis has learned that an important dispute between Egypt and Israel may soon be resolved.

NBC's Rick Davis: Tonight Assistant Secretary of State Richard Murphy arrived in Israel for a meeting with Prime Minister Peres after a quick trip from Egypt. Murphy has been Vice President George Bush's chief advisor in his Mideast tour. Sources in Israel and Egypt say the trip is about a narrow strip of land on the Sinai Peninsula: a place called Taba... Today a high-level Egyptian official said the dispute will be settle or progress made while Vice President Bush is in the Middle East so he can have some of the reflective glory.... Tonight George Bush met with Egypt's President Mubarak while more rumors and informed guesses were circulating. If Taba is resolved, sources here say Mubarak and Peres will meet face to face. The long day in Egypt included a visit to the multi-national force in the Sinai.... The Vice President spoke of peace.

(<u>The Vice President</u>: "I can see a number of ways to build a comprehensive peace in this region. Not this year, next perhaps, but certainly within a decade.")

Until tonight the Vice President's tour of the Middle East seemed just a collection of picture opportunities of a possible Presidential candidate. Today started the same way at Karnak temple in Egypt. But if progress is made on Taba some substance has been added to the tour. (NBC-3)

Spencer: Vice President George Bush is nearing the end of his Middle East trip. He's in Cairo tonight and meets tomorrow with Egyptian President Mubarak. Throughout Bush's three country tour it's been apparent he has politics on his mind. (CBS-6)

BALDRIGE/TRADE

Donaldson: Commerce Secretary Malcolm Baldrige conceded today that selling subsidized wheat to the Soviet Union benefits the Soviet economy. But he defended President Reagan's decision announced on Friday to do so by saying if the United States doesn't make the sale somebody else will. Baldrige called the sale to the Soviets unpalatable since it helps their economy, but if it isn't made he said, our farmers lose and the Europeans win. (ABC-6)

JENCO

Spencer: Islamic Jihad terrorists today flatly denied that they sent any messages out with Father Jenco. They are again threatening the remaining hostages.

CBS's Mark Phillips: A week that had begun in hope with the release of Father Jenco ended with much less hope for the three remaining American hostages in Lebanon. The newspapers of Beirut today printed a statement from the Islamic Jihad which said it was not interested in negotiating for the release of the Americans it's holding. The group restated its demand that those involved in the attack on the American Embassy in Kuwait be released or, it said, "the corpses of David Jacobsen, Terry Anderson, Thomas Sutherland will be found one by one. Father Jenco had said he had brought messages from his captors to the Pope, the Archbishop of Canterbury, and to President Reagan, but today's statement said there had been no offer to negotiate.

(TV coverage: The President and First Lady with Father Jenco.)
...Against this background American diplomatic sources say they have no indication that the release of any more hostages is imminent. The Syrians too say they have little influence over the people holding the American and other hostages. (CBS-Lead)

"disturbing." He insists he did what he was told.

(Jenco: "I have kept a promise and I'm keeping my promise.")
...He carried a...message to the Archbishop of Canterbury in London, Thursday, and to President Reagan in Washington on Friday.

(TV coverage: The President and the First Lady with Father Jenco.)
Today a usually reliable Beirut newspaper published a letter reportedly from the kidnappers denying the group had sent any messages with Father Jenco. Attached to the letter was a picture of David Jacobsen, one of at least three Americans the group still holds. In refuting Islamic Jihad's denial, Father Jenco seemed to hint the message he delivered may have come from one man not the group.

(Jenco: "I don't know who Islamic Jihad even is. It could be five or six different groups. I am responding and keeping a promise to a man who held me captive and his name is Haj. And I just want Haj to know I've kept my promise and I passed the message on.")

Wallace: The Islamic Jihad terrorist group has sent an angry letter to a Beirut newspaper claiming it never sent messages to President Reagan or the Pope through freed hostage Father Lawrence Jenco. The statement was published this morning along with a picture of David Jacobsen.... The group said it would never negotiate with Mr. Reagan whom it called the great Satan, and it threatened to kill the hostages one by one unless it's previous demands are met. (NBC-2)

SHCHARANSKY

Donaldson: Anatoly Shcharansky said today that Soviet authorities have given his mother and other family members permission to leave the Soviet Union and join him in Israel. Shcharansky...got the good news in a telephone conversation with his mother who told him a permit had been granted and she and other family members would leave for Israel in three weeks. (ABC-3)

Spencer: Former Soviet human rights activist Anatoly Shcharansky said today in Tel Aviv that his mother, brother, and the brother's family have been given permission to leave the Soviet Union. (CBS-2)

Wallace reports Shcharansky said their release is part of a new Soviet

effort to improve relations with Israel. (NBC-4)

HELMS/CHILE

Donaldson: Senator Jesse Helms, who's oftened complained about leaks of national security information, is himself being investigated by the FBI as a suspected leaker. This according to sources quoted in today's New York Times, who say the the Senate Intelligence Committee believes someone told the Chilean government about a U.S. intelligence gathering operation directed against Chile.

ABC's Jeanne Meserve: On a visit with Augusto Pinochet last month Senator Jesse Helms was not shy about expressing his displeasure with U.S. policy toward Chile. But there is now suspicion that his support for Pinochet may have involved not just public comments but passing of secret intelligence information. According to Administration sources it is the timing of events that implicates Helm's Though the basics of the U.S. operation were known to several people in Washington, it was only after Helms staffers received a briefing on the specifics that the Chilean government found them out. Sources say the revelation to the Chileans had an immediate and negative effect on U.S. intelligence sources and methods in Chile. Helms was not available for comment today but told New York Times "the State Department and the Central Intelligence Agency are constantly trying to discredit me, and they're not going to be able to do it." But members of Congress want the matter investigated.

(Rep. Barnes: "It's outrageous. It certainly should be tracked down and investigated fully by the FBI and other responsible authorities.") ... Helms stand has made it more difficult for the U.S. to persuade Pinochet that the time has come for change in his country, and the leaking of this new information by Helms or someone else is a further setback to U.S.-Chilean relations. (ABC-4)

Wallace: The FBI is reportedly investigating Senator Jesse Helms and his staff to learn if they passed sensitive American intelligence to the government of Chile.

NBC's Jamie Gangel: According to a New York Times report the FBI at the request of the Senate Intelligence Committee is investigating whether Helms or one of his aides tipped off the Chileans about a secret American intelligence gathering operation.... Helms called the inquiry a game of intimidation, of harassment, and of leaks. The CIA and FBI would not comment on the investigation but a top State Department official told NBC News the State Department is clearly unhappy about the intelligence leaks. In the past Helms has publicly attacked the State Department's policy which the Reagan Administration has used to show that even conservative Republicans oppose the military dictatorship of Chilean President Pinochet.... Critics of Helms say he has gone too far.

(Rep. Solarz: "And he has otherwise conducted himself in a fashion that has been totally counterproductive from the point of view of the U.S.")

With this inquiry the charges and countercharges are expected to escalate with Helms insisting the White House is opening the door for communists in Chile. But as one Administration official put it, "This investigation may finally prove the White House is willing to take on right-wing dictatorships."

spencer: The New York Times reported today that the FBI is investigating reports that Senator Jesse Helms or one of his staff leaked classified information to the government of Chile. Helms, who visited Chile as recently as last month, has been an outspoken critic of U.S. policy there. He said the U.S. is not supportive enough of the Pinochet regime. Sources told the Times that the leaked information related to U.S intelligence gathering operations. Helms denies the charges saying, "The State Department and the CIA are constantly trying to discredit me."

THE PRESIDENT/DRUGS

Wallace: In an interview with "Newsweek" magazine President Reagan calls for mandatory drug testing for government workers who have other people's safety in their hands, but voluntary testing for all other federal workers. Mr. Reagan also blames Hollywood and the rock music industry for glamorizing drug use. (NBC-9)

PATCO STRIKERS

Donaldson: It was five years ago today that the nation's air traffic controllers walked angrily off their jobs -- an illegal strike that prompted a tough response from President Reagan: he fired thousands of them. Many controllers are still arguing about whether they did the right thing.

ABC's Ron Claiborne: ...On August 3, 1981 13,000 members of the professional air traffic controllers organization, or PATCO, went on strike in violation of federal law over working hours and wages. Many thought it would be a brief walkout. Few, if any, expected President Reagan to take a hard line. They were wrong.

Claiborne continues:

(The President, Aug. 3, 1981: "They are in violation of the law and if they do not report for work within 48 hours they have forfeited their jobs and will be terminated.")

More than 11,000 PATCO controllers were fired. Four thousand others stayed on the job. One of those who walked was Tony Kelley. Kelley is now an auto body repairman. He makes about half the \$50,000 he earned as an air traffic controller.

(Kelley: "We never thought we would lose. We were too cocky about it. For two years I didn't work. I had a nervous breakdown.)

Jeff Moulson is one of the PATCO controllers who stayed on the job. (Moulson: "In my mind the way I look at it is they tried to blackmail the government and they thought they could get away with it.")

But the majority of PATCO controllers stayed out.... Some say the strike was a mistake.

(Kelley: "The President was right. We cannot strike against the government and he proved his point very well.")

...Last week the House of Representatives defeated a bill that would have required that the next 1,000 air traffic controllers come from the ranks of PATCO. So unless the FAA changes its policy it's very unlikely that the strikers will be back in the towers again.

(ABC-7)

CHEMICAL WEAPONS/LOBBYISTS

Wallace: Two congressmen charge that the Pentagon violated the law by hiring lobbyists and public relations experts to help win approval of new chemical weapons last year. Democratic Representatives Dante Fascell of Florida and Jack Brooks of Texas say their information comes from the GAO and they're asking Defense Secretary Weinberger for an explanation. (NBC-8)

AIDS

Spencer: A new development on the AIDS front tonight. Researchers at the Armed Forces Institute of Pathology say they have discovered a virus in AIDS patients which is not the AIDS virus. In fact it appears to be from a totally new family and they don't know yet just what it is. Questions yet to be answered: Does it somehow work with the AIDS virus to produce disease and could it possibly provide new clues to treatment. (CBS-4)

ABC -- THIS WEEK WITH DAVID BRINKLEY

Moderator: David Brinkley. Panel: George Will, Sam Donaldson.

Guests: Laurence Tribe, Harvard Law School; Paul Bator, Professor of Law, University of Chicago; Sen. Joseph Biden; Senator Orrin Hatch.

Brinkley: Professor Tribe, are you opposed to Mr. Rehnquist for Chief Justice because he is, in your view, too conservative?

Tribe: I actually have not opposed his nomination... At this point, what I think we have is some important unanswered questions, and I think unless they are satisfactorily answered, the new Chief Justice will move the Court and the country into the next century, under a needless cloud as to fundamental issues of integrity and credibility.

Bator: On the ideology side, I think that an attractive case can be made that if the Senate thinks the appointment is unwise they should reject it. But the dominant tradition of the country has been to allow the President considerable leeway in "calling the shots" on what the constitutional philosophy of the nominee should be, and that has been good for the country.

Will: Professor Tribe.... What you call stonewalling is an exercise of executive privilege on the part of the President to protect memos internal of the executive branch from the 1970's. Eisenhower virtually invented executive privilege in its modern form to resist Joseph McCarthy. Did you approve of that then, and if so, why do you disapprove of this now and call it stonewalling?

Tribe: Executive privilege has to give way to constitutional needs for information.

Bator: I don't think it's stonewalling.... What is the relevance of these memos? Rehnquist has been on the Court...for 15 years. He has a public record. We will know -- we know far more about what he's like and what he's going to be like as Chief Justice, form his public record than anything that can be gleaned from 15 year old confidential memoranda of dead issues.

Guests: Senators Biden and Hatch.

Brinkley: Is this simply a case of liberals trying to keep a conservative off the Supreme Court?

Biden: ... I don't think there is a clear consensus that he should not be on the Court, on the part of those who would be categorized as liberals.

Hatch: Senator Kennedy walked in -- for right or wrong -- and started right off saying he's against Mr. Rehnquist even though we have 15 years of tremendous service on the Court....

<u>Will:</u> Is your principle...that you must pick someone who represents the center view in the Court?

THIS WEEK (continued)

Biden: No, you must pick someone as Chief Justice who in fact is willing to, on certain occasions, where the national interest exceeds his personal firmly held belief, that he be willing to compromise on the margins.

<u>Will:</u> Have you any evidence to believe...that there are grounds for questioning Rehnquist, on the ground, say, that he would inject chaos into constitutional law?

Biden: There is not any firm ground. The only thing that's changed for me is this: ...Justice Rehnquist's credibility has come into some question with me.... The question for me is whether or not he would be a good Chief Justice. Number two, for the first time I am beginning to wonder whether he has levelled with us, or he has played a very clever game as to whether or not he defines a word one way, and acts another way.

FREE-FOR-ALL DISCUSSION (Joining panel is Hodding Carter)

On Senator Boren's PAC Limitation bill:

Brinkley: At the moment, they [candidates] can, if they can raise it, get enormous amounts of money. Boren's bill would put some limits on that. Is that a good idea.

Donaldson: Yes it is.... There are so many ways that incumbents can use PACs to their advantage, so much so that a challenger has no chance.

Will: By endorsing restrictions on political fundraising and hence on political expenditures, you are endorsing the single greatest restriction on freedom of speech in this country since the alien and sedition laws. Money is necessary to communicate political ideas.... Suppose someone said, "I am entirely in favor of freedom of the press but we are going to have government regulation of the amount of newsprint you can have."

<u>Carter</u>: ... There is a very real political scandal in that what it costs to run now effectively means that unless you are personally a millionaire or unless you are an incumbent, your chances of getting through the system and getting elected.... For that period of the year which is political I would suggest that there ought to be guaranteed access at a certain level.

Brinkley's Final Word:

Congress next week will be voting to set a new and higher limit on the federal government's debt so the Treasury can borrow more money. Now that is true even though in the last three or four years, if we can believe the claims coming from the White House and Congress, in the last three or four years the deficit has been wiped out and there is no need to borrow any more money. In 1981 the White House claimed it had cut \$130 billion out of future spending. In 1982 Congress passed something called the Tax Equity and Fiscal Responsibility Act and claimed it would reduce the deficit \$100 billion more. In 1984 there was the Deficit Reduction Act claiming to save still another 60 billion...But somehow the more they have claimed to cut the spending the higher the deficit has risen. It is well over \$200 billion year after year. So we might all urge Congress and the White House to stop saving all this money because we can no longer afford it.

NBC -- MEET THE PRESS

Moderator: Marvin Kalb.

Panel: John Dancy, NBC News; Nina Totenberg, National Public Radio.

Guests: Sen. Orrin Hatch; Sen. Howard Metzenbaum; Griffin Bell, Former Attorney General; Professor A.E. Dick Howard, Law Professor, University of Virginia.

Kalb: Do you feel that on the basis of the testimony of last Friday...that you'll have to call the Justice back for further hearings?

Hatch: I don't think so. The four Democrats who testified that he was a challenger, I think, are clearly mistaken.

Kalb: Senator Metzenbaum, do you feel that on the issue of executive privilege.... Do you feel that is a looming confrontation?

Metzenbaum: Many of us, Democrats and Republicans on the committee, want the information... We hope that we can avoid a confrontation... We think that information... ought to be put out on the table.

Totenberg: You heard four witnesses, three of whom knew Justice Rehnquist and identified him as a person who was challenging...voters. Do you think those people were lying?

Hatch: I won't call them liars, but I will say this, it was 24 years ago. How many people remember the details that they did 24 years ago.

Kalb: Senator Metzenbaum, are you suggesting that he's [Rehnquist] not telling the truth?

Metzenbaum: I have difficulty in accepting his candor....

Dancy: You seem to be saying that the man who is about to be confirmed as Chief Justice of the U.S. is a racist. Is that your position?

Metzenbaum: No, I think I'm saying more than that.... I'm concerned about his integrity and -- in relating the facts in the past to the committee and I believe very strongly that that kind of issue relates so directly to whether or not this man can be the Chief Justice of the U.S.

Totenberg: We are told that Senator Laxalt was trying to negotiate a compromise on the request for documents. Is Senator Laxalt negotiating in a vacuum or what?

Hatch: If it can be narrowed and it's a reasonable request, maybe there's something -- can be done.

Dancy: You've got the Scalia hearings coming up this coming week. Have you done a similar check of Justice Scalia's property?

Metzenbaum: I can't tell you at this moment, because I've been preoccupied with a matter called the Rehnquist confirmation process and have not given my direct attention to the Scalia matter.

MEET THE PRESS (continued)

Guests: Judge Bell and Professor Howard.

Kalb: Judge Bell, Do you feel...that President Reagan is trying to push the Court too far to the right?

Bell: No, no, I don't think so. He ran as a conservative and he carried 49 states. The American people apparently are somewhat conservative in their views and he's only had two appointments.

Kalb: Professor Howard...Isn't there some merit in trying to seek people who reflect the middle of the road rather than one point of view, extreme liberal or conservative?

Howard: ... I would not be quick to predict that assuming Rehnquist becomes Chief Justice and Scalia becomes an Associate Justice that somehow the Court will veer to one particular extreme point of view. I think that's not likely to happen.

Totenberg: Do you think that the President should invoke executive privilege...?

Bell: I do. Were I attorney General, I'd recommend to him that he invoke attorney privilege -- executive privilege. I can't think of anything more mischievous than having the Senate rummage around in the files in the Office of Legal Counsel.... Why should a lawyer be allowed to make files available that belong to a client.... I would not make the files available myself.

<u>Dancy</u>: Women and blacks have said that they fear for their rights if <u>Justice</u> Rehnquist becomes the Chief Justice of the U.S. Do they have any reason to fear?

Howard: If they have something to fear, it's not from Rehnquist himself, it's from five votes on the Court... To the extent that the Court has veered to the right in those cases it's been because of a majority of Justices, not because of Rehnquist.

<u>Dancy</u>: Do you expect that the Rehnquist nomination is going to mean --confirmation is going to mean more power to the states?

Bell: Justice Rehnquist is a strong believer in federalism and tends back to what the framers had in mind when you had a balance between the states and the federal government... He can't put his views in without getting four additional votes. But his views are not extreme on federalism.

Moderator: Lesley Stahl.

Guests: Malcolm Baldrige, Secretary of Commerce; Rep. Tony Coelho; Rep. Guy Vander Jagt.

Stahl: We interviewed Secretary Baldrige earlier and asked him if he thought the President's decision this week to subsidize sales of wheat to the Soviet Union until September 30th is enough to help American farmers.

Baldrige: ... Nobody likes subsidies. We are trying to negotiate other nations out of them. But if we just quit, pick up our marbles and go home, our farmers lose and the Europeans win, because they will keep on getting more and more grain sales.

<u>Stahl</u>: Why don't you right now say we are going to subsidize American farmers in their sales to the Soviet Union as long as the Europeans are doing it, and make it something more permanent and actually in effect threaten the Europeans?

Baldrige: ...It may be that we will come to that in the future. But I think we ought to leave all of our options open. I think that's the best negotiating tactic to have. The Europeans certainly understand what we are doing on this particular wheat sale.

Stahl: What about the argument that both Secretary Shultz and Secretary Weinberger make, that what you are in effect doing now is subsidizing the Soviet economy.

Baldrige: ...We had some difference of opinion inside the Administration on that subject... Secretary Shultz was thinking about the possible harm that this might cause the Australians and some of the others of our allies who don't subsidize.... What we should do is not hurt our farmers now but try and negotiate out subsidies around the world and get back to a free market system.

Stahl: There's a bill that the President vetoed that would help the textile manufacturers in this country by imposing quotas against foreign imports. Do you think that Congress is going to override his veto?

Baldrige: I think it will be very close. I think we have a lot of work to do between now and next Wednesday when that veto override bill comes up. I think the President has taken the right position.... You just can't take an action without having a reaction in the world today. That doesn't mean we should run scared, but it does mean we should take that into account.

Stahl: How certain are you that the Japanese are actually going to start buying a lot of American semiconductors?

Baldrige: What it does is stop them dumping in the United States, stops them dumping in third world countries that could ship into the United States, and gets their agreement to open up their markets to U.S. chips.

FACE THE NATION (continued)

Stahl: I've heard from a source that you were so upset that the Administration wasn't being tougher on the Japanese in some of these trade negotiations that you actually threatened to resign over it. Is that true?

Baldrige: No, I've never threatened to resign.... That isn't my style. I have thought in the past that we in the Administration were not strong enough with the Japanese, among others. I don't have that reservation anymore, not since last September when the President came out with his new trade program.

Stahl: Do you have any predictions yourself about just how the economy is going to play out as this campaign draws along?

Baldrige: Yes I do. I think it's amazing, particularly when...a lot of the press act as if the economy is going to just go into a recession at any moment.... They haven't wanted to give any credit for the staying power that this economy has shown.

Guests: Rep. Coelho, Rep. Vander Jagt.

Stahl: What about the...argument that Secretary Baldrige made about jobs in general will be lost if the basically protectionist bill that his is, the textile bill is, is passed?

Coelho: Our problem is that when Secretary Baldrige talks about retaliation, we feel like we have already been retaliated against.

Stahl: How concerned are you that this [trade] is going to become the issue of the campaign and really hurt Republicans almost everywhere?

<u>Vander Jagt</u>: The Democrats are...in desperate shape going into the 1986 elections, and desperately grabbing for any issue that they can get a hold upon, and seize upon the difficulties of the textile industry.

Stahl: You are out trying to raise some money by suggesting that he [President Reagan] might be able to run for a third term... Isn't that really what you are up to, just raising money with this idea?

Vander Jagt: It takes a lot of money, to reach 10 million Americans, and we think it's only when the Democratic House feels the heat that they are going to see the light and actually have a vote.

Coelho: I think the issue here is that Guy can go ahead with his 22nd Amendment -- we happen to support it as Democrats -- but it's interesting to me that what Guy is really doing is saying he has no faith in the future of the Republican Party, because he wants to reach to the past instead of to the future.

Vander Jagt: I think we've made news here this Sunday morning in that Tony Coelho supports my repeal of the 22nd Amendment, and this week Paul Kirk also supported that amendment to give Ronald Reagan a chance to run for a third term. Now let's see if Tony and the National Democrat Chairman give us a vote in the House of Representatives.

THE McLAUGHLIN GROUP

Moderator: John McLaughlin. Panel: Jack Germond, Robert Novak, Hodding Carter, William Greider.

On Rehnquist Hearings:

McLaughlin: Are the Democratic liberals who oppose Rehnquist doing so on the merits of his record, or...[do they] want to discredit Ronald Reagan's criteria for changing the judiciary?

Novak: This is a disgusting exercise...because they're going back to incidents that occurred before two prior Senate confirmations for Justice Rehnquist.... It's all knee-jerk left-wing ideology.

Germond: There are two questions here: One is the question of whether you are attacking him on his views.... There is another question: that is this disingenuous behavior of Rehnquist and what he remembers from 20 years ago on ballot security.

Greider: Here's a man we're told is a real "legal eagle", great intellect, etc. He buys a house in Arizona...and Vermont...with a restrictive covenant...and he said, "I didn't read the title". We all know in our guts that he's lying through his teeth.

Carter: This is, in fact, the man the President ought to nominate: a fellow who has been virtually blind to questions of racial and civil rights for a long time; a person who has proved it both by what he doesn't do and what he does do, and therefore he adequately represents the President.

McLaughlin: How many [senators on the committee] will vote against Rehnquist?

Carter: No more than five. Novak: I think it will be more like four.

Germond: Four or five but you can't tell yet because we haven't run the course on this and pulled all the string out.

Greider: I think that...there'll be five or six votes.

McLaughlin: It's probably going to be closer to two.

On South Africa:

McLaughlin: Is this Administration bankrupt in its policy making on South Africa, and is it bankrupt in its strategizing on this issue?

Germond: They have compounded the felony.... Why in the world they did that textile thing when you had a fire about to light, I'll never understand.

Greider: I don't know that there's that much confusion. This President on every issue has been the white man's President for six years, and he is going to hold that ground.

MCLAUGHLIN GROUP (continued)

Novak: President Reagan has not changed on the sanction question. He is still opposed to sanctions; he is being pulled by Secretary Shultz.... People in the real world don't care about this issue.

Carter: It is a totally bankrupt policy.... All it guarantees is in the end we will have nothing to say about what happens in Southern Africa.

On Bush in Middle East:

McLaughlin: Will this trip yield political mileage for George Bush's flagging candidacy?

Carter: The only reason he went there was to do something about his candidacy.... Watching George Bush...kissing the wall only changes his usual position because he was on his feet.

On Tax Reform:

McLaughlin: Can the conferees pay for everything out of the hide of big business?

Novak: ... They could have had this bill all finished by now, but the House Democrats just wanted to play a little politics.

McLaughlin: Will the President have a tax reform bill on his desk by Labor Day?

Carter, Novak, Germond, Greider, McLaughlin: No.

Predictions:

<u>Carter</u>: Once more wrong on strategy the President's gonna be right on tactics. There will be no congressional sanctions voted and he'll preempt it over the break.

Novak: Against the wishes of Secretary of State Shultz, of some of his strongest advisors, of all anti-communists, and of his allies, President Reagan will agree to subsidized wheat exports for the Soviet Union.

Germond: We have this first sort of mini-test of 1988 Republican presidential prospects in Michigan.... Bush has raised the stakes so high for himself he will probably get a black eye out of it.

Greider: After people get tired of talking about Paul Laxalt the next boomlet for a Republican is going to be for George Bush's manager, the Treasury Secretary, Mr. Baker, who will actually make a plausible candidate since he's already had the job.

McLaughlin: Ronald Reagan's vetoed the textile quota bill. This Tuesday or Wednesday the House will override the veto. The following day, however, the Senate will sustain the veto, which means that the trade textile quota bill is dead.

AGRONSKY & COMPANY

Moderator: Martin Agronsky. Panel: James Kilpatrick; Strobe Talbott; Christine Dolan, CNN; Carl Rowan.

On Rehnquist Hearings:

Agronsky: Is this nomination in trouble, and should it be?

Kilpatrick: It is not in trouble.

Rowan: No.... I would probably vote against him for mindset or ideological reasons, but not for the things that have come up in these hearings.

Dolan: I think he will be confirmed, but I'm not sure that he should be confirmed.

Talbott: He's in a lot more trouble than many of expected just a few days ago, but a lot of what's going on here is the Democrats on the committee are playing politics looking towards the fall.

Agronsky: Would you regard the charges levelled against Justice Rehnquist as significant?

<u>Dolan</u>: When we're talking about the Chief Justice of the U.S. you have to raise the issue of impeccability....

Rowan: I think the biggest cloud thrown over the man is the White House's refusal to let them see the documents he wrote about wire tapping, the Houston Plan, the various other surveillances of American protesters.

Agronsky: Sen. Simon pointed out that Mr. Reagan himself once observed that congressional requests for information from the Executive branch should generally be complied with and that Executive Privilege, to quote President Reagan, will be asserted only to the most compelling circumstances. What are the compelling circumstances?

Kilpatrick: I don't know what the circumstances are. I do think it's a fishing expedition.

Talbott: The Democrats...sense that they've got the Republicans vulnerable and on the defensive on an issue and they're going to keep this controversy going for the next six weeks or so...in hopes of making the Republican party look insensitive to civil rights and minority interests in time for the election this fall.

Agronsky: Do you think he'll be confirmed?

Dolan, Talbott, Kilpatrick, Rowan, Agronsky: Yes.

On South Africa: On Friday the Senate Foreign Relations Committee voted 15-2 what is known as the Lugar Bill calling for sanctions against South Africa.... Do you think the Senate has met its duty and obligations in passing this legislation?

AGRONSKY & CO. (continued)

Rowan: It certainly has met part of its duty. It has put the U.S. on record insofar as the Senate speaks for it... I don't think what comes out of that House-Senate reconciliation is going to be vetoed by Mr. Reagan. I think he learned a lesson with that sad speech he gave days ago.

Kilpatrick: You're gonna get a bill.... A bill will be sent to the President and I think he will sign it, the political pressure has gotten this strong, and I think it will be a mistake.

Talbott: That's the key question: Do sanctions help end the system of apartheid? And, boy, I'm sure not convinced that they do. I think it's pretty clear that constructive engagement, the Reagan Administration approach to South Africa wasn't doing any good, but I don't have any hope at all that sanctions are going to make a positive difference.

On Drugs:

Agronsky: We have a Justice Department proposal saying that any members of the federal government who are found to have been drugs should be dismissed arbitrarily. What do you think?

Rowan: I hope this campaign that the White House is touting is more than talk.... You got to chip in some money if you're going to deal with this problem.

On 22nd Amendment: Rep. Vander Jagt has proposed the 22nd Amendment be repealed so that Mr. Reagan presumably could run for life.

Kilpatrick: This is the silly season. It's not going to happen.

Dolan: I think it's a good fundraising gimmick. And it'll probably raise a lot of money.

-End of News Summary-