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News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, AUGUST 27, 1986 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

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NATIONAL NEWS

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NATIONAL NEWS.....A-6

NETWORK NEWS.....B-1

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The U.S. plan reportedly arose from meetings in late July between Secretary of State George Shultz and CIA Director William Casey after receipt of an intelligence report -- later proved to be suspect -- that Gadhafi had acted uncontrollably in an early July meeting with Yemeni leaders.
(Don Oberdorfer & George Wilson, Washington Post, A1)

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(AP story, Washington Post, A14)

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(Glenn Garvin, Washington Times, A1)

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(Robert McCartney, Washington Post, A21)

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Sen. Daniel Patrick Moynihan termed the improvement only marginal and expressed concern about the number of children living in poverty.
(Randolph Schmid, AP)

REAGAN LEAVES RANCH FOR MID-VACATION STAY IN POSH HOTEL

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(Peter Behr, Washington Post, A1)

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Conservatives and liberals are pumping money into several key congressional races they think can be won or lost on the issue of support for President Reagan's defense program.

Conservatives are focusing attention on candidates' records of support for, or opposition to, the Administration's Strategic Defense Initiative. They see the issue, which prompted a series of bitterly fought funding votes in Congress this summer, as politically "hot."

(Warren Strobel, Washington Times, A1)

4 SENATORS SEEK REHNQUIST PROBE

Four Democratic senators yesterday asked that the Federal Bureau of Investigation reopen its investigation into Chief Justice-designate William Rehnquist's handling of a trust account for a relative in the 1960s.

Sens. Edward Kennedy, Howard Metzenbaum, Alan Cranston and Paul Simon wrote to Judiciary Committee Chairman Strom Thurmond, asking him to have the FBI reopen its inquiry into whether Rehnquist defrauded his ill brother-in-law by setting up a trust account for the relative's care and then keeping it secret from him. (UPI story, Washington Post, A3)

U.S. ASKS COURT TO END RACIAL QUOTAS IN PUBLIC HOUSING PROJECT IN BROOKLYN

Justice Dept. Studying Similar System In Montgomery County

NEW YORK -- William Bradford Reynolds, head of the Justice Department's Civil Rights Division, asked a federal judge today to strike down a racial-quota system used to maintain integration in Brooklyn's Starrett City, one of the nation's largest subsidized-housing projects.

Reynolds also said in an interview later that his department is probing use of a similar quota by Montgomery County, Md., to maintain a 50-50 racial balance between whites and minorities in 320 of its 950 public-housing units. (Ann Mariano, Washington Post, A8)

BARNES: FROM LOCAL TO WORLD ISSUES

Rep. Michael Barnes first gained a reputation in Congress playing the home town issues. He railed against President Reagan's reductions in the federal work force, on behalf of the 55,000 federal employees among his constituents. He leaped into the crusade to get tough on drunk drivers, a concern that developed momentum in his native Montgomery County well before it became a national cause.

In the last few years, however, Barnes has gained prominence in another arena, more distant from his home base but critical to his hopes of becoming the next U.S. senator from Maryland. As much as anyone else, Barnes has become a point man for the House Democratic leadership's opposition to President Reagan's policies in Central America and the Caribbean -- at times in uncharacteristically dramatic fashion.

(Sandra Sugawara, Washington Post, A1)

NETWORK NEWS SUMMARY

POVERTY

CBS's BOB SCHIEFFER: The Census Bureau reported today that the number of Americans living below the government's official poverty line has gone down for the second year in a row but not by much (from 14.4% to 14%). Blacks still have the highest poverty rate (31.3%). The poverty rate for whites declined slightly (11.4%), and for hispanics the poverty rate was up slightly (29%). Poverty also increased slightly among the elderly (12.6%). Even people with jobs are having a tougher time staying above the poverty line, and CBS News correspondent Lem Tucker has more about that.

CBS's LEM TUCKER reports today's census report does show a slight decline in the overall poverty rate in 1985, but over 33 million people remain below the poverty line. The gap between the rich and poor has widened significantly, and despite economic gains, more and more working Americans are joining the ranks of the poor. Some experts predict that continued high unemployment and a slowing of economic activity in 1986 will push more Americans, more working Americans into the ranks of the poor.

(CBS-5)

ABC's PETER JENNINGS: The government reports today that fewer Americans are living in poverty. New statistics put just over 33 million people below the poverty level, that's about 600,000 fewer than a year ago. There was no significant change among poor whites, but there are about half a million fewer blacks living in poverty today.

(ABC-8)

NBC's GARRICK UTLEY: We begin with the poor, who are they, and how many are they? The government today released its latest figures on the real bottom line in American life -- those who live below the poverty line. As Robert Hager reports there has been a slight improvement in a big problem.

NBC's ROBERT HAGER reports black workers led the way as the Census Bureau reported today for all Americans the poverty rate decreased in 1985 for the second year in a row, from 14.4% below the poverty line in 1984 down to 14% even in 1985, and median family income increased slightly for the third year in a row. In 1984 it was \$27,300, in 1985 it was \$27,700. Government officials said the figures reflected the continuing economic recovery but admitted that recovery has slowed. But critics pointed out there are still 33 million Americans living in poverty and over the long range real income has only improved 1% since 1970. For black Americans the news today was mixed. Median income was up 5%, but the percentage of black families with only a mother and children and no husband has increased from 30% back in 1970 to 42% today, and almost all these fatherless families are in bad economic trouble. And for the Reagan Administration the news is also mixed, improved figures in the last few years, but there are still four million more poor people today than when the President took office.

(NBC-1)

PRIME RATE

UTLEY: The nation's largest banks gave the Reagan Administration some good news today, they lowered their prime rate from 8% to 7½%, the lowest in almost 9 years.

(NBC-2, CBS-6, ABC-7)

U.S.S. FORRESTAL

SCHIEFFER: Reagan Administration sources say a scheduled port call in Israel this week by the U.S. carrier Forrestal has been canceled. Instead the carrier will resume patrol in the central Mediterranean north of Libya. Without this move there would be no carrier in the region. One source said that the move amounts to a bit of saber rattling. It comes one day after U.S. officials warned Libya against a new wave of terrorism.

(CBS-7)

U.S. GOVERNOR'S CONFERENCE

SCHIEFFER: The nation's governors, ending their annual conference, demanded unanimously today that they keep peace time control of their state national guards. The issue here is the Reagan Administration practice to have the guard troops train in Honduras. Some governors charge the troops would be used to support Nicaraguan contra rebels who are fighting the Sandinistas. One governor calls it a back door escalation the governors do not want to be part of.

(CBS-8)

HEALTH CARE

JENNINGS reports for one segment of the society health care is not just woefully inadequate, it has become a nightmare. We are talking about native Americans, American Indians.

ABC's GEORGE STRAIT reports for Indian health care things are desperate. The infant mortality rate is three time higher than for non-Indians -- deaths from pneumonia, two times higher -- alcoholism ten times higher and directly responsible for the high murder and accident rates on the reservations, diabetes -- the highest rates in the world. And these diseases strike the young. Four out of every ten Indians die before age 45 and that's an improvement. Ten years ago half the Indian population died before 45. The federal government spends about \$900 per Indian on health care compared to \$1,700 per capita for non-Indians. The total budget for Indian health care is \$810 million dollars and there is a fight every year to keep that. The budget for Indian health care has remained the same for the last 14 years and next year the Reagan Administration plans a \$90 million dollar cut and that, say health officials, will only make a bad situation worse. So it is as it has always been, another break in the bargain struck a hundred years ago in which Indians gave up their land on the promise that the government would take of their needs.

(ABC-9)

CORTEZ

UTLEY: The attorney general of Mexico reported tonight that 11 police officers face disciplinary action for the arrest of U.S. drug agent Victor Cortez. Cortez charged that he was arrested earlier this month and tortured by police. Tonight's report says the Mexican police deny taking part in any torture, but face charges of abuse of authority.

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(Warren Strobel, Washington Times, A1)

4 SENATORS SEEK REHNQUIST PROBE

Four Democratic senators yesterday asked that the Federal Bureau of Investigation reopen its investigation into Chief Justice-designate William Rehnquist's handling of a trust account for a relative in the 1960s.

Sens. Edward Kennedy, Howard Metzenbaum, Alan Cranston and Paul Simon wrote to Judiciary Committee Chairman Strom Thurmond, asking him to have the FBI reopen its inquiry into whether Rehnquist defrauded his ill brother-in-law by setting up a trust account for the relative's care and then keeping it secret from him. (UPI story, Washington Post, A3)

U.S. ASKS COURT TO END RACIAL QUOTAS IN PUBLIC HOUSING PROJECT IN BROOKLYN

Justice Dept. Studying Similar System In Montgomery County

NEW YORK -- William Bradford Reynolds, head of the Justice Department's Civil Rights Division, asked a federal judge today to strike down a racial-quota system used to maintain integration in Brooklyn's Starrett City, one of the nation's largest subsidized-housing projects.

Reynolds also said in an interview later that his department is probing use of a similar quota by Montgomery County, Md., to maintain a 50-50 racial balance between whites and minorities in 320 of its 950 public-housing units. (Ann Mariano, Washington Post, A8)

BARNES: FROM LOCAL TO WORLD ISSUES

Rep. Michael Barnes first gained a reputation in Congress playing the home town issues. He railed against President Reagan's reductions in the federal work force, on behalf of the 55,000 federal employees among his constituents. He leaped into the crusade to get tough on drunk drivers, a concern that developed momentum in his native Montgomery County well before it became a national cause.

In the last few years, however, Barnes has gained prominence in another arena, more distant from his home base but critical to his hopes of becoming the next U.S. senator from Maryland. As much as anyone else, Barnes has become a point man for the House Democratic leadership's opposition to President Reagan's policies in Central America and the Caribbean -- at times in uncharacteristically dramatic fashion.

(Sandra Sugawara, Washington Post, A1)

NETWORK NEWS SUMMARY

POVERTY

CBS's BOB SCHIEFFER: The Census Bureau reported today that the number of Americans living below the government's official poverty line has gone down for the second year in a row but not by much (from 14.4% to 14%). Blacks still have the highest poverty rate (31.3%). The poverty rate for whites declined slightly (11.4%), and for hispanics the poverty rate was up slightly (29%). Poverty also increased slightly among the elderly (12.6%). Even people with jobs are having a tougher time staying above the poverty line, and CBS News correspondent Lem Tucker has more about that.

CBS's LEM TUCKER reports today's census report does show a slight decline in the overall poverty rate in 1985, but over 33 million people remain below the poverty line. The gap between the rich and poor has widened significantly, and despite economic gains, more and more working Americans are joining the ranks of the poor. Some experts predict that continued high unemployment and a slowing of economic activity in 1986 will push more Americans, more working Americans into the ranks of the poor.

(CBS-5)

ABC's PETER JENNINGS: The government reports today that fewer Americans are living in poverty. New statistics put just over 33 million people below the poverty level, that's about 600,000 fewer than a year ago. There was no significant change among poor whites, but there are about half a million fewer blacks living in poverty today.

(ABC-8)

NBC's GARRICK UTLEY: We begin with the poor, who are they, and how many are they? The government today released its latest figures on the real bottom line in American life -- those who live below the poverty line. As Robert Hager reports there has been a slight improvement in a big problem.

NBC's ROBERT HAGER reports black workers led the way as the Census Bureau reported today for all Americans the poverty rate decreased in 1985 for the second year in a row, from 14.4% below the poverty line in 1984 down to 14% even in 1985, and median family income increased slightly for the third year in a row. In 1984 it was \$27,300, in 1985 it was \$27,700. Government officials said the figures reflected the continuing economic recovery but admitted that recovery has slowed. But critics pointed out there are still 33 million Americans living in poverty and over the long range real income has only improved 1% since 1970. For black Americans the news today was mixed. Median income was up 5%, but the percentage of black families with only a mother and children and no husband has increased from 30% back in 1970 to 42% today, and almost all these fatherless families are in bad economic trouble. And for the Reagan Administration the news is also mixed, improved figures in the last few years, but there are still four million more poor people today than when the President took office.

(NBC-1)

PRIME RATE

UTLEY: The nation's largest banks gave the Reagan Administration some good news today, they lowered their prime rate from 8% to 7½%, the lowest in almost 9 years.

(NBC-2, CBS-6, ABC-7)

U.S.S. FORRESTAL

SCHIEFFER: Reagan Administration sources say a scheduled port call in Israel this week by the U.S. carrier Forrestal has been canceled. Instead the carrier will resume patrol in the central Mediterranean north of Libya. Without this move there would be no carrier in the region. One source said that the move amounts to a bit of saber rattling. It comes one day after U.S. officials warned Libya against a new wave of terrorism.

(CBS-7)

U.S. GOVERNOR'S CONFERENCE

SCHIEFFER: The nation's governors, ending their annual conference, demanded unanimously today that they keep peace time control of their state national guards. The issue here is the Reagan Administration practice to have the guard troops train in Honduras. Some governors charge the troops would be used to support Nicaraguan contra rebels who are fighting the Sandinistas. One governor calls it a back door escalation the governors do not want to be part of.

(CBS-8)

HEALTH CARE

JENNINGS reports for one segment of the society health care is not just woefully inadequate, it has become a nightmare. We are talking about native Americans, American Indians.

ABC's GEORGE STRAIT reports for Indian health care things are desperate. The infant mortality rate is three time higher than for non-Indians -- deaths from pneumonia, two times higher -- alcoholism ten times higher and directly responsible for the high murder and accident rates on the reservations, diabetes -- the highest rates in the world. And these diseases strike the young. Four out of every ten Indians die before age 45 and that's an improvement. Ten years ago half the Indian population died before 45. The federal government spends about \$900 per Indian on health care compared to \$1,700 per capita for non-Indians. The total budget for Indian health care is \$810 million dollars and there is a fight every year to keep that. The budget for Indian health care has remained the same for the last 14 years and next year the Reagan Administration plans a \$90 million dollar cut and that, say health officials, will only make a bad situation worse. So it is as it has always been, another break in the bargain struck a hundred years ago in which Indians gave up their land on the promise that the government would take of their needs.

(ABC-9)

CORTEZ

UTLEY: The attorney general of Mexico reported tonight that 11 police officers face disciplinary action for the arrest of U.S. drug agent Victor Cortez. Cortez charged that he was arrested earlier this month and tortured by police. Tonight's report says the Mexican police deny taking part in any torture, but face charges of abuse of authority.

(NBC-6)