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TUESDAY, NOVEMBER 25, 1986 -- 6 a.m. EST EDITION

TODAY'S HEADLINES

U.S. -- IRAN

Whitehead Testimony Stuns Hill -- The State Department opened fire on the National Security Council yesterday over the arms-for-Iran mission, and by nightfall top figures in the Reagan Administration called it an "act of open rebellion" against the White House. (Baltimore Sun, New York Times, Washington Post, Washington Times, Reuter, Scripps Howard, UPI)

INTERNATIONAL NEWS

Reagan's Competency Criticized On Arms Control -- Rep. Aspin contends there is mass confusion about who is setting Administration arms control policy in the wake of the Iceland summit -- and if it's President Reagan, "Boy, we're in really tough shape." (AP, UPI)

NATIONAL NEWS

Probe Urged Of Nofziger Utility Work -- Sen. Moynihan urged yesterday that Senate hearings be convened to look into former White House aide Lyn Nofziger's role as a \$20,000-a-month consultant to a Long Island Utility in its efforts to open the controversial Shoreham nuclear power plant. (Washington Post)

NETWORK NEWS (Monday Evening)

REAGAN ADMINISTRATION -- Yet another week at the White House has begun with an agenda completely dominated by the Iran connection.

GORBACHEV -- Mikhail Gorbachev began a trip to India today.

DRUG TESTING -- There was word today of a new first of its kind drug test program in the nation's capital.

"Typical media --
always BAD news."



U.S.—IRAN

JUSTICE DEPT. PROBING LEGALITY OF ARMS SALES DURING EMBARGO

The Justice Department has begun a high-level inquiry to determine whether any U.S. laws were violated in the Administration's secret shipments of weapons to Iran during 1985, before President Reagan waived the U.S. arms embargo, officials said yesterday.

One mid-level official of the National Security Council, Lt. Col. Oliver North, who flew to Tehran earlier this year with former national security adviser Robert McFarlane on a plane carrying weapons for the Iranian regime, was questioned extensively over the weekend by Justice Department officials about the operation, the officials said.

Meanwhile, an unrepentant Reagan said yesterday that "I'm not firing anybody" over the Iran controversy. When asked during a photo session whether he should have admitted he made a mistake in sending the arms to Iran, as some advisers suggested, Reagan said, "I'm not going to lie about that. I didn't make a mistake." (David Hoffman, Washington Post, A1)

IRAN, IN 6-YEAR SEARCH FOR ARMS, FINDS WORLD OF WILLING SUPPLIERS

During its six-year war with Iraq, Iran has bought more than \$9 billion in arms from America's allies and enemies alike, according to a high-ranking Reagan Administration official.

"We seem to have opened the floodgates for our allies to sell arms to Iran," an Administration official said. "I have the sense countries will be rushing to Teheran to make offers and clinch deals."

(Elaine Sciolino, New York Times, A1)

U.S. COURTED IRAN TO COUNTER BUILDUP OF 600 SOVIET AGENTS

When the Reagan Administration launched its secret effort to restore relations with Iran, the U.S. intelligence community believed the Soviet Union already had 600 agents in Tehran poised to direct Iranian communists in a post-Khomeini power struggle, it was learned yesterday.

It is not clear whether those agents were embassy personnel or undercover operatives, said a source closely connected to U.S. intelligence officials.

President Reagan has said that the growing Soviet influence in Iran was a major motivation for the effort he authorized in January that eventually led to shipments of arms to "moderates" in Iran.

The source, who asked not to be identified, said the Soviet buildup included moving "600 agents into the Soviet Embassy in Iran" during the time the Reagan Administration was preparing its overtures to what it believed was a moderate faction in Tehran.

(James Morrison & Martin Sieff, Washington Times, A1)

PRESIDENT CONFERS ON THE IRAN FUROR;
STATE DEPT. UPSET

President Reagan held an extraordinary two-hour meeting with aides today to review the Iran situation as the State Department publicly denounced its isolation from decision-making on Iran and called on the White House to "undo the damage quickly."

The results of the meeting at the White House were closely guarded. One aide said it was "just a discussion of policy" with no personnel changes apparently decided on.

The State Department's continued dissent from the Iran operation occurred during unusual testimony by John Whitehead, the department's second-ranking official, before the House Foreign Affairs Committee.

He said it was time "for the White House to come forward with a positive plan to undo the damage quickly."

(Bernard Gwertzman, New York Times, A1)

NO MISTAKE, NO FIRINGS, REAGAN SAYS

President Reagan met his top advisers for more than two hours yesterday and after it was over the White House said they had not discussed "personnel."

"I didn't make a mistake [in secretly shipping arms to Iran]," Mr. Reagan said, when confronted briefly by reporters before the meeting. "I'm not firing anybody."

Nevertheless, rumors persisted that Secretary Shultz, Chief of Staff Regan and National Security Adviser Poindexter were on their way out.

(Mary Belcher & J.H. Doyle, Washington Times, A1)

Reagan Staff Shakeup Still Option As Iran Uproar Continues

President Reagan has no plans to fire anyone to end the uproar over secret White House arms sales to Iran but has left open the possibility that some top people under criticism could resign.

"I'm not firing anybody," said Reagan when asked yesterday about reports that he was being urged to get rid of such key players in the Iran furor as Secretary Shultz, White House chief of staff Regan and National Security adviser John Poindexter.

But he sidestepped a direct answer when asked if that meant there would be no changes among senior Administration personnel.

"I'm not commenting either way. I'm just telling you how I feel," Reagan said. (Gene Gibbons, Reuter)

Baker Would Quit '88 Race If Reagan Calls On Him Now

Former Senate Majority Leader Howard Baker would give up his bid for the 1988 Republican presidential nomination if he were offered a top post in the Reagan Administration, according to his aides and associates.

But sources say he also is being considered for the job of national security adviser if that becomes vacant first.

(Ralph Hallow, Washington Times, A5)

Howard Baker Willing To Replace Shultz As Secretary Of State

Former Senate GOP leader Howard Baker would be willing to give up his presidential ambitions and replace Secretary Shultz if Shultz resigned, a Baker spokesman said Monday.

"If President Reagan asks Howard Baker tomorrow to come and help him, then Howard Baker would do it," said Jim Cannon, who runs Baker's personal political action fund.

"The President has not called him. As far as Howard Baker is concerned, Secretary Shultz should stay," said Cannon. (Scripps Howard)

FIRST LADY DENIES 'COUP' PUSH Her Aide Says Staffing Is Up To The President

Nancy Reagan yesterday denied reports that she is part of a "California coup" seeking a White House and Cabinet shake-up in the bickering aftermath of President Reagan's secret arms deal with Iran.

"People don't understand that the President is capable of making his own decisions," said Elaine Crispen, the First Lady's press secretary. "Sure, he may listen to others...."

"If there are decisions to be made, those would be made by the President, and she is in support of whatever decisions he makes," said Crispen. (Donnie Radcliffe, Washington Post, E1)

RIFT SEEN BETWEEN REAGAN, JOINT CHIEFS Iran, Missile Initiatives Apparently Proceeded Without Consultation

A quiet but significant split has opened between President Reagan and the Joint Chiefs of Staff, who oppose Reagan's secret sale of U.S. arms to Iran and his proposal to eliminate long-range ballistic missiles within 10 years, Pentagon sources said yesterday.

Adm. William Crowe, chairman of the Joint Chiefs, is said to be furious at Vice Adm. John Poindexter and the National Security Council staff for their part in deliberations that led to the arms sale in an attempt to win freedom for American hostages in Lebanon.

(George Wilson, Washington Post, A14)

IRAN DEAL LEAVES BUSH WITH DELICATE PROBLEM He Backs Operation But Remains Silent

The controversy over President Reagan's secret weapons shipments to Iran has become a touchy problem for Vice President Bush, who has said he fully supported the operation but does not want to talk about it.

Bush, who for six years has been an enthusiastic spokesman for Administration policy, has remained uncharacteristically silent about the Iran operation, avoiding any comment about it in public.

(David Hoffman, Washington Post, A15)

CAPTIVE CIA AGENT'S DEATH GALVANIZED HOSTAGE SEARCH Buckley's Plight Became Agency Crusade

For the Reagan Administration and especially the CIA, Iran and the Moslem extremists it supports in the Middle East suddenly took on a new urgency on March 16, 1984, when a man named William Buckley -- described at the time as a political officer in the U.S. Embassy in Lebanon -- was snatched off the streets of Beirut by a group calling itself Islamic Jihad.

As his captors have since charged, Buckley was the chief of the CIA's Beirut station, U.S. sources have confirmed. He was one of the CIA's leading experts on terrorism, and his kidnaping initiated what one CIA official called the agency's "private hostage crisis." At agency headquarters in Langley, Buckley's colleagues watched helplessly as their expert on terrorism became a victim of terrorism, which the CIA believed led from Beirut to the revolutionary government in Tehran.

(Bob Woodward & Charles Babcock, Washington Post, A1)

Buckley Ran CIA Operation In Beirut, Post Says

William Buckley, the first of nine Americans taken hostage in Lebanon since 1984, ran the CIA's office in Beirut and was tortured by his captors before he died last year, The Washington Post reported Tuesday.

Buckley was tortured by his captors and died after a long period of medical neglect in Beirut apparently in June 1985 -- several months before Moslem extremists said he had been "executed," The Post said. (UPI)

FIVE SENTENCED IN THEFT OF MILITARY PARTS FOR IRAN

SAN DIEGO -- Five members of a ring authorities say stole at least \$10 million worth of jet fighter parts from the Navy and sold them to Iran received prison terms Monday ranging from a year to six years.

President Reagan's recent disclosure that he had authorized the shipment of some military parts to Iran had no bearing on the case, Assistant U.S. Attorney Phil Halpern said. (Alan Adler, AP)

DOMESTIC REACTION

SHULTZ DEPUTY DISPUTES REAGAN, SAYS IRAN STILL BACKS TERRORISM

Whitehead Also Urges Review Of NSC's Role In Operations

Deputy Secretary of State John Whitehead yesterday disputed the assertion by President Reagan and his top advisers that the Administration's secret diplomacy to Iran had caused the regime of Ayatollah Ruhollah Khomeini to ease its support for terrorism.

In remarks that appeared to prolong the feuding between the State Department and White House, Whitehead told the House Foreign Affairs Committee that Iran's links to terrorism included "association" with those who abducted three Americans in Beirut this fall and Tehran's "financial, logistical and material" backing for terrorists in the Persian Gulf, Lebanon and elsewhere.

"I don't like to differ with my President, but I believe there is still some continuing evidence of Iranian involvement with terrorism," said Whitehead, the department's second-ranking official.

(Walter Pincus & David Ottaway, Washington Post, A1)

Whitehead Testimony Stuns Hill

The State Department opened fire on the National Security Council yesterday over the arms-for-Iran mission, and by nightfall top figures in the Reagan Administration called it an "act of open rebellion" against the White House.

The testimony clearly stunned several members of the committee. One described himself as "astounded" at the end of the 2½-hour public hearing, when Mr. Whitehead urged a congressional review of the NSC's functions.

(Damon Thompson, Washington Times, A1)

State Dept. Asks NSC Constraints After Iran 'Affair'

In a serious escalation of the public warfare between the State Department and the White House over U.S. arms shipments to Iran, the second-ranking State Department official urged yesterday that limits be placed on the National Security Council and questioned President Reagan's assertion that Iran is no longer promoting terrorism.

In wide-ranging and unusually candid public testimony before the House Foreign Affairs Committee, John Whitehead also said that the State Department was still largely uninformed on details of the Iran arms operation; that the arms shipments seriously undermined U.S. credibility in the fight against international terrorism; and that the President had been "poorly advised" by supporters of the secret arms shipments.

(Nancy Schwerzler, Baltimore Sun, A1)

Shultz Aide Calls For Curbs On White House's National Security Council

Whitehead's frank testimony indicated that Secretary Shultz may make a stand and defend himself against efforts by White House officials and Reagan confidants to force him to resign.

Whitehead also defended Reagan's goal of contacting "moderate" Iranian officials, because of Iran's size and importance in the oil-rich Persian Gulf area. "The President had a rationale that makes sense to me, and I wouldn't criticize him for it," said Whitehead.

(Walter Friedenberg, Scripps Howard)

Shultz Deputy Speaks Bluntly On Iran

Deputy Secretary of State John Whitehead perpetuated his boss's criticism of the White House for its secret dealings with Iran at the same time he recommended less public criticism of President Reagan, expressing concern that America's leader not be left like the emperor "without clothes."

Whitehead, tapped by Secretary Shultz to testify Monday before the House Foreign Affairs Committee, echoed Shultz's dissatisfaction about the level of State Department involvement in the Iranian operation. His remarks seemed likely to feed that feud within the Administration.

(Michael Myers, UPI)

State Department Publicly Disputes Reagan On Iranian Terrorist Support

The State Department, publicly disputing President Reagan, says Iran still supports terrorists despite 18 months of secret negotiations with the United States and receipt of U.S. weapons.

The public disagreement came during an unusual congressional hearing Monday even as Reagan was saying he would not heed the advice of critics and supporters by admitting he made a mistake when he sent arms to the radical Moslem nation. He also said he would not fire some of his staff.

Whitehead said the State Department finds "it difficult to cope with the NSC's operational activities." The agency should remain an advisory group, he said, because, "When they become involved in operational matters, we have concerns, particularly when we don't know about them."

(Tim Ahern, AP)

INSIDERS SAY INTERNAL DEBATE HAS FROZEN FOREIGN-POLICY APPARATUS

Persisting ignorance about key elements of the Iran operation and a struggle over policy at the heart of the Administration are incapacitating the United States in its dealings with foreign governments, U.S. officials said yesterday.

"In all my years here, I have seen nothing like this -- and that includes Watergate and the Bay of Pigs," a veteran U.S. diplomat said.

A senior State Department official said the first priorities for U.S. diplomacy were for the Administration to settle its internal crisis over Iran, to make its policy clear to the rest of the world and to restore a sense of competence.

(Stephens Broening, Baltimore Sun, A1)

DID REAGAN BREAK SOME, NONE OR ALL OF RELEVANT NATIONAL SECURITY LAWS?

Key members of Congress on the foreign affairs and intelligence committees are prepared to challenge President Reagan's assertion that his Administration has violated no laws in shipping arms to Iran.

In opening a series of hearings on the arms-for-hostages deal, Rep. Fascell said Monday: "We want to explore very carefully any possible violation of the Arms Export Control Act, the Export Administration Act and all other relevant legislation."

Rep. Bonker said Monday, "I say several laws were broken."

Congressional experts say that many of these laws are overlapping and reinforcing. What is still missing, is a comprehensive account of the Reagan Administration's dealings with Iran.

Said one congressional source, "We don't know enough yet to know whether any law was broken -- or all of them."

(Walter Friedenberg, Scripps Howard)

FOREIGN REACTION

PERES DEFENDS ISRAELI ACTIONS Some Fear Arms Deal May Hurt U.S. Ties

JERUSALEM -- Foreign Minister Shimon Peres briefed a key parliamentary committee in secret session today on Israel's role in arranging shipments of U.S. arms to Iran, amid rising official concern here that public disclosures in Washington may damage strategic cooperation between Israel and the United States.

Sources close to the Knesset's defense and foreign affairs committee said Peres did not explicitly outline Israel's role in the Iran connection nor did he offer details about arms shipments originating here, some of which had American approval and some of which apparently did not.

But Peres, who was prime minister in 1985 when Israeli officials acted as go-betweens in setting up the connection with the White House, nonetheless defended Israeli actions, the sources said. He said Israel had no firm policy of selling arms to Iran but had done so in this case in order to aid its American ally. He added that his government knew that such sales would not have a major impact either on the course of Iran's war with Iraq or on the future policies and leaders of Iran.

(Glenn Frankel, Washington Post, A14)

Peres' Defense Of Israeli Arms Role Fails To Mollify Knesset

JERUSALEM -- Foreign Minister Shimon Peres told an Israeli parliament committee yesterday that "no Israeli in his right mind would want to see a victory of a fundamentalist Moslem regime like the one of the Ayatollah Khomeini."

"It is not Israel's policy to supply arms to Iran," Mr. Peres said, "but Israel is duty-bound to help a friend in need [presumably, the United States]. Israel has neither the ability nor the desire to determine the outcome of the war between Iran and Iraq, and Israel is not interfering in that war," Mr. Peres was quoted as saying.

(Andrew Meisels, Washington Times, A8)
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Israel Still Refusing To Break Silence On Arms Sales To Iran

TEL AVIV -- Israel refused yesterday to break its silence on charges of involvement in U.S. arms sales to Iran while a furor over the case brewed in the Reagan Administration.

Foreign Minister Peres yesterday refused to tell legislators if Israel shipped American weapons to Tehran, and would say only that the Jewish state maintains a policy of helping its friends. (Gail Fitzer, Reuter)

Murphy Reportedly Said Israel May Have Had Dual Policy

TEL AVIV -- Israel may have become entangled in a dispute between the White House and the State Department over whether to sell weapons to Iran, U.S. Assistant Secretary of State Richard Murphy was quoted today as saying.

Israel might have denied to Secretary Shultz that it was selling weapons to Iran, and at the same time been doing so with the knowledge of President Reagan, Murphy was quoted as telling the Haaretz correspondent in Washington. (AP)

RAFSANJANI AND PENTAGON AGREE: ARMS SENT TO IRAN WON'T WIN WAR

The Speaker of Iran's Parliament and a top Pentagon official told the same story in different words yesterday -- the U.S. arms sent Iran by the Reagan Administration won't make much difference in the Persian Gulf war.

The Islamic Republic newspaper, reporting remarks Mr. Rafsanjani made to Defense Ministry officials, quoted the powerful politician-cleric as saying Iran received no Hawk anti-aircraft missiles and fewer TOW anti-tank missiles than U.S. officials have said.

Meanwhile, a senior Pentagon official in Washington said yesterday that U.S. arms shipments would "prolong" the six-year Iran-Iraq war and "make things more difficult, but it won't make a difference in terms of the outcome." (Washington Times, A5)

NEWS CONFERENCE

WAS THE PRESIDENT READY FOR PRESS? YOU BE THE JUDGE

Through his 12 full years as President, Franklin Roosevelt held 998 news conference -- an average of one every four and a half days.

With last Wednesday's, only his 39th, Ronald Reagan thus far has had a news conference on an average of every 56 days.

It shows. This latest one was far from a masterpiece. By its very ineptness, it seems to me, we saw why the news conference is a useful exercise. It can compel a President to stay on top of things.

Despite the intensive boning-up that Presidents usually undergo before confronting reporters, it's obvious that this one was woefully unprepared. Press reaction suggested some may have thought he was lying. That's hard to accept.

A democracy cannot function without regular accountability. We saw last week that a President, too, does poorly without it.

(Lionel Van Deerlin, Copley)

INTERNATIONAL NEWS

ADMINISTRATION APPEARS TO BE IN RETREAT SINCE REYKJAVIK

President Reagan told the nation when he came home from the Iceland summit that "we're ready to pick up where we left off." But six weeks later, the Utopian promises of Reykjavik appear to be slipping away.

In the past week, Secretary Shultz and Kenneth Adelman, the U.S. arms control director, indicated the Administration is backing away from a ballistic missile ban.

Rep. Aspin suggested Monday the Administration was ill-prepared for Reykjavik and is in disarray since.

"This may be the first Administration that puts a proposal on the table first and then studies it," Aspin said of the proposed ballistic missile ban.
(Barry Schweid, AP)

Reagan's Competency Criticized On Arms Control

Rep. Aspin contends there is mass confusion about who is setting Administration arms control policy in the wake of the Iceland summit -- and if it's President Reagan, "Boy, we're in really tough shape."

Aspin, the House Armed Services Committee chairman, challenged Reagan's grasp of arms issues and ability to negotiate with the Soviets in a caustic exchange Monday with Kenneth Adelman, head of the Arms Control and Disarmament Agency.

"Who does speak for the Administration?" Aspin asked Adelman.

"I don't think there is as much difference as you see," Adelman said. Pressed further, he declared, "If I had to listen to one single voice it would be to Ronald Reagan's voice."

Aspin, rolling his eyes and drawing hearty laughter in the hearing room, shot back: "Boy, we're in really tough shape.... We all know that is an unreliable source as to what our position is. We all know that one person that we cannot listen to is the President. The details of these is not his strong suit."
(Dana Walker, UPI)

U.S. MAY TRAIL SOVIETS ON SDI, JANE'S WARNS

LONDON -- The Soviet Union may be ahead of the United States in research into a space-based missile defense system, the authoritative military publication Jane's Weapon Systems said yesterday.

Quoting U.S. defense sources, Mr. Blake says Moscow has an extensive laser program employing 10,000 scientists and engineers as well as other advanced weapons research projects.

(Reuter Story, Washington Times, A7)

GEN. GALVIN TO TAKE EUROPE COMMAND
Gen. Rogers To Retire From NATO Post

Gen. John Galvin, commander of the U.S. Southern Command in Panama which controls U.S. forces in Latin America, will replace Gen. Bernard Rogers as commander of U.S. and NATO forces in Europe next summer, Pentagon sources said yesterday. Rogers is retiring. Galvin's replacement has not been named.

In another major shift at the top, Gen. Robert Herres, commander of the Air Force Space Command, is slated to become the nation's second highest-ranking office as vice chairman of the Joint Chiefs of Staff in January. He will be chairman of the Joint Chiefs in the absence of Adm. William Crowe in compliance with the military reorganization legislation enacted this year.

(George Wilson, Washington Post, A6)

PENTAGON GO-AHEAD EXPECTED FOR MIDGETMAN

A senior policy-making group at the Defense Department is expected today to approve an Air Force request for full-scale development of a new force of single-warhead small ballistic missiles, as well as accelerated work on a new railroad basing concept for the MX missile, according to Administration and congressional sources.

The decision by the Joint Requirements Management Board will cap years of debate over the small missile, known as the Midgetman, and is expected eventually to win approval at the White House and on Capitol Hill. The Midgetman has enjoyed broad support since it was embraced in 1983 by a bipartisan panel of military experts appointed by President Reagan.

(Jeffrey Smith, Washington Post, A6)

U.S. STRESSES SUPPORT FOR AQUINO

Stance Thought To Have Helped Limit Military's Support For Enrile

The White House reiterated yesterday its strong support for Philippine President Aquino's efforts to end her country's political and economic turmoil. But U.S. officials said there had been no overt American interference in the weekend events that saw Aquino fire Defense Minister Enrile amid rumors that loyalists to Enrile were plotting a coup attempt.

U.S. officials said privately that the Reagan Administration's efforts to make clear its backing for Aquino played a role in the calculations of Filipino military commanders when they decided to support her against Enrile's challenge.

(John Goshko, Washington Post, A12)

ZULU LEADER PREDICTS TOUGH SLEDDING FOR NEW U.S. AMBASSADOR TO PRETORIA

The new U.S. ambassador to South Africa may find it hard to influence Pretoria's white leaders, who are angry about the congressional sanctions against their country, a South African tribal leader says.

Chief Mangosuthu Buthelezi, a Zulu leader and longtime opponent of sanctions, said Monday that blacks may expect Ambassador Edward Perkins, himself a black, "to deliver more than he can."

What Perkins can expect to find is that South African President Botha is in a "very belligerent mood, in a very defiant mood," Buthelezi said. Botha has adopted a "go to hell" attitude, particularly in his reaction to sanctions, the tribal leader said. (Joan Mower, AP)

CONTRAS' POLITICAL WING MEETS TO SET GOALS

SAN JOSE -- The Nicaraguan rebel movement's civilian wing opened a two-day assembly today designed to define and focus attention on political goals behind the U.S.-financed guerrilla war in Nicaragua.

The assembly of the United Nicaraguan Opposition, or UNO, coincided with renewed efforts by the Reagan Administration to build up the insurgency militarily and, with \$100 million in fresh U.S. aid, turn it into a combat force with which the Sandinista government will have to deal.

(Edward Cody, Washington Post, A10)

Contras Meet To Draw Up Provisional Government Program

SAN JOSE -- Several U.S. officials were present today when Nicaraguan rebels, known as contras, opened a two-day assembly seeking to forge unity among themselves and lay plans for a provisional government.

Lewis Tambs, the U.S. Ambassador to Costa Rica, was present as well as at least two State Department officials, and half a dozen U.S. congressional aides. (Phil Davison, Reuter)

RELIGIOUS OPPONENTS OF CONTRA AID HOPING TO COUNTER GOVERNMENT MONEY

Religious leaders say private efforts in the United States have raised nearly \$12 million toward a goal of pouring \$100 million in humanitarian aid into Nicaragua to counter U.S. military aid for Contra rebels.

"The money we are raising will go to the victims of our government's war in Nicaragua -- the children and adults who need medicine, food, clothing and shelter," Roman Catholic Auxiliary Bishop Thomas Cumbleton of Detroit said at a news conference Monday. (Robert Furlow, AP)

NICARAGUAN VICE PRESIDENT HOPEFUL ON U.S. POPULAR OPINION

BOSTON -- Nicaraguan Vice President Sergio Ramirez Mercado told a Harvard University audience last night that American popular opinion will ultimately reverse U.S. policy toward Nicaragua.

"Americans will not, in the long term, support a policy that repudiates the law," Ramirez said, referring to a World Court decision last June that U.S. funding of military activities against Nicaragua's Sandinista government violated international law.

He did not mention American Eugene Hasenfus, sentenced in Managua this month to prison for delivering arms to anti-Sandinista forces, and he was not asked about it in a question period after his address. (Reuter)

BERLIN PROSECUTORS SAY SYRIAN OFFICIALS HELPED IN BOMBING

WEST BERLIN -- State prosecutors charged today that Syrian officials helped two Arabs stage a terrorist bombing here in March, and they urged prison sentences of 14 years for one defendant and 13 for the other.

Meanwhile, western diplomats said that the three Allied powers that exercise joint control over West Berlin were likely to bar Syrian diplomats from entering the city from East Berlin if the court finds that Syria was partly to blame for the bombing.

(Robert McCartney, Washington Post, A10)

YEUTTER SAYS MARKET SHOULD DETERMINE DOLLAR/YEN LEVEL

U.S. Trade Representative Clayton Yeutter said tonight the Reagan Administration had no target exchange rate for the dollar and yen and preferred that market forces be allowed to prevail.

Yeutter also said he hoped West Germany would join Japan in boosting its domestic demand to generate growth in U.S. exports and help reduce America's record trade deficit, expected to hit \$170 billion this year.

(Robert Trautman, Reuter)

IMMIGRATION LAW ENFORCEMENT URGED

WILLIAMSBURG -- Recently enacted revisions in immigration law face the danger of becoming meaningless unless it is strictly enforced, one of the bill's drafters said today.

"Congress is going to have to watch it very carefully," Richard Day, staff director of the Senate subcommittee on immigration and refugee policy, said at a symposium on national immigration reform at the College of William and Mary.

(AP story, Washington Post, A4)

NATIONAL NEWS

PROBE URGED OF NOFZIGER UTILITY WORK

Sen. Moynihan urged yesterday that Senate hearings be convened to look into former White House aide Lyn Nofziger's role as a \$20,000-a-month consultant to a Long Island Utility in its efforts to open the controversial Shoreham nuclear power plant.

Moynihan said he was acting in light of reports that Nofziger approached Edward Rollins, his successor as White House political director, last year for help in getting the \$4.6 billion plant opened.

(Washington Post, A6)

LARRY SPEAKES/MERRILL LYNCH

White House spokesman Larry Speakes said Monday he has talked to Merrill Lynch & Co. Inc. about a public relations job but he denied he has accepted the post.

Speakes said he has kept White House chief of staff Donald Regan informed of his discussions with the brokerage firm and said he would make a formal announcement when he made up his mind.

"No decision has been made. I will announce it in the (White House) briefing room. I haven't really made any decision," he said in a telephone interview.

(UPI)

Reagan's Spokesman Hasn't Made Up His Mind On Merrill Lynch Offer

Presidential spokesman Larry Speakes says he hasn't decided whether to accept a lucrative job offer from Merrill Lynch & Co., but sources say he has told associates the post is "certainly difficult to turn down."

One source, speaking only on condition of anonymity, described President Reagan's chief spokesman as "on the verge" of giving up his high-visibility White House post for a top executive position with the giant Wall Street investment firm.

The new job reportedly carries an annual salary of \$250,000.

The senior Administration official said Monday that Speakes likely would be replaced by Ann Dore McLaughlin, now undersecretary of the Interior. During Reagan's first term, she served as spokeswoman for Donald Regan, then secretary of the Treasury and now the President's embattled chief of staff.

(Michael Putzel, AP)

PORNOGRAPHY PANEL OFF BASE, TWO EXPERTS SAY

NEW YORK -- Two social scientists cited throughout the Meese Commission report on pornography say the panel should have studied violence instead of sex in books, magazines and movies.

In an essay, Edward Donnerstein and Daniel Linz wrote: "The single most important problem in the media today, as clearly indicated by social science research, is not pornography but violence."

Their essay, which appears in the December issue of *Psychology Today* magazine, said the 1,950-page report contained several mistakes.

(Reuter story, Washington Post, A4)

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ANALYSTS PREDICT RETURN OF HIGHER INFLATION

Inflation, down this year to a level not seen since the 1960s, will increase to 4 percent or more in 1987 now that the precipitous drop in world oil prices has run its course, economists predict.

The Consumer Price Index has not shown a decline since April. Since then, it has been slowly inching up. Analysts say that for all of 1986, the index will indicate a price rise at the retail level of about 1.7 percent.

But analysts say that the 1986 figure masks the fact that prices of nearly all goods and services -- apart from those directly related to energy -- have been rising steadily throughout the year at about the same pace they did the year before. (Tom Raum, AP)

Moderate Hike Expected In Consumer Prices

Inflation, which has been running at less than one percent this year, is expected to heat up in the months ahead.

No dramatic increase is expected, but today's release of the Consumer Price Index for October by the Labor Department's Bureau of Labor Statistics should indicate if warmer energy prices can maintain an inflationary rise. (David Vesey, UPI)

FED PROPOSES REAL ESTATE ROLE FOR BANKS Controversial Proposal Would Permit Holding Companies To Make Limited Investments

The Federal Reserve Board yesterday proposed a regulation that would allow companies that own banks to make limited investments in real estate.

But the rule would give many state-chartered banks far fewer powers to invest in real estate development projects than they already have been granted by their state legislatures. (James Rowe, Washington Post, C1)

DARMAN HITS 'CORPOCRACY' IN U.S. AGAIN

Deputy Treasury Secretary Richard Darman yesterday extended his attack on the competency of corporate America by contending that many foreign businessmen "have a more detailed understanding" of how the U.S. government operates than do leading American executives.

Darman said in a speech to the Harvard Business School that many executives, committed to the dominance of private enterprise, fail to accept the existence of a "mixed economy," in which the government is deeply involved through federal expenditures as well as through regulation, tax, trade and other policies. (Hobart Rowen, Washington Post, C1)

U.S. STUDY URGES ALASKAN OIL DRILLING

An Interior Department draft study recommended yesterday that the oil-rich Coastal Plain of northeastern Alaska be opened to oil and gas development if the frigid tundra and its diverse wildlife are protected.

"The area is clearly the most outstanding oil and gas frontier remaining in the United States and could contribute substantially to our domestic energy supplies," the study says.

(David Goeller, Washington Post, A9)

UPI SEEKS RETURN OF FIRED EDITOR

Milton Benjamin, who has been president of the beleaguered news wire service United Press International for less than three weeks, announced yesterday that his editor-in-chief has resigned and that a widely praised managing editor who was fired just as Benjamin arrived has been asked to return.

Editor-in-chief Malcolm Hughes submitted his resignation in the latest of a series of upheavals as UPI's new owner Mario Vazquez Rana, a Mexican national, struggles to make the wire service a financial success. Some UPI sources said Hughes' reasons for resigning involved disputes about control of the news service, and others said they involved a disagreement about his contract. (Eleanor Randolph, Washington Post, A5)

NETWORK NEWS SUMMARY

(Monday evening, November 24th)

REAGAN ADMINISTRATION

NBC's Tom Brokaw: All weekend there were reports that President Reagan's closest friends and Mrs. Reagan were urging him to shake up his White House staff and State Department to repair the damage done by the secret shipment of arms to Iran. Well today the President spoke for himself and as Chris Wallace reports tonight, he is holding the line, for now at least.

NBC's Chris Wallace: Flanked by all the key players in the Iranian operation, the President today defended himself. When asked why he didn't just say he made a mistake about Iran, Mr. Reagan was direct.

(TV coverage of the President in the Oval Office: "Why I'm not going to lie about that, I didn't make a mistake.")

But the President seemed much less enthusiastic about supporting his aides, in fact he could barely be heard saying he is not firing anyone.

(Question: "Are you happy with your staff?" President: "Uh-huh." Question: "But you not denying, Sir, that there will be any changes in your staff." President: "I'm not commenting either way, I just told you what I feel.")

Those comments only fueled speculation Mr. Reagan is considering a major staff shake up, a shake up that is being pushed by longtime backers from California including Ed Meese, William Clark and Holmes Tuttle. They have proposed a clean sweep removing George Shultz, Donald Regan and John Poindexter. But sources tell NBC News Regan has informed colleagues he got a phone call this weekend from Nancy Reagan giving him a vote of confidence and he is not leaving.

(Regan: "No, I'm not considering resigning. I serve at the pleasure of the President and when it is time for me to go we'll talk about it but this isn't the time.")

The others seem much less secure in their jobs. To replace Shultz conservatives are pushing Secretary Weinberger, but moderates suggest former Sen. Howard Baker or Secretary James Baker. And to replace Poindexter the list of candidates includes Jeanne Kirkpatrick and Brent Scowcroft. Supporters say the President must shake up his staff to end this crisis.

(Lyn Nofziger: "He has got to do something within the next couple of weeks to show that he is in control, to show that he is indeed in charge.")

Perhaps to show just that, Mr. Reagan met with top advisers for two hours today on Iranian policy. Aides say the focus was not on what went wrong, but how to continue his initiative to so-called Iranian moderates. Before the President can deal with future policy, though, some top advisers feel he must settle the past and they believe that as the pressure grows, Mr. Reagan will finally agree some big names must go.

(NBC-Lead)

Brokaw: Secretary Shultz, of course, remains a key figure in all of this and his exact involvement still is not very clear tonight. He has been openly critical of the operation in Iran, and yet White House aides claim that he was fully briefed all along. Anne Garrels reports now that Shultz seemed to be separating himself from the White House once again today.

NBC's Anne Garrels: Secretary Shultz sent his chief deputy to Capitol Hill today to explain what the State Department knew about the Iran operation. Not much, was the answer and Whitehead blamed the White House.

(John Whitehead: "I feel somewhat embarrassed to be in that position. I would like to know more than I do and to tell you exactly what happened.")

The committee members were at times incredulous the State Department knew as little as it did.

(Rep. Dan Mica: "But we don't need a State Department if a State Department isn't going to be involved in the most critical loop of foreign policy. We have a State Department out there that's nothing but a crying towel right now.")

Whitehead blamed the operation within the White House's National Security Council calling for a review of its function.

(Whitehead: "And I think this recent incident or series of incidents calls for a review of the functioning of the National Security Council.")

Little was accomplished at the hearing today to clarify what Shultz knew and when. While on his way to Canada last week, Shultz acknowledged attending two full-scale policy sessions last December and January where he argued against arms sales to Iran. But after that Shultz has said his information about the operational aspects of the arms shipments were fragmentary at best. Robert McFarlane has challenged him.

(McFarlane: "It was not kept from the Secretary of State. I'm somewhat surprised at the portrayal that is was, for I told him, repeatedly and often of every item that went on in this enterprise.")

William Casey told a Senate committee last week that the State Department had concurred with the arms sales. Undersecretary Armacost immediately denied this. The State Department continues to believe the arms sales were ill-advised but Whitehead today tried to portray the State Department as loyal to the President.

(Whitehead: "It is very timely that the national pull together behind the President whether they agree with his action or not.")

And Whitehead urged that Shultz be kept on, calling him one of the finest most able Americans he knows, Whitehead said Shultz is a man who can lead the Administration out of this whole affair. (NBC-2)

Brokaw: Israeli Foreign Minister Peres -- there is also growing pressure in his government to reveal what it knows about the arms to Iran dealing but today Minister Peres, testifying before a Parliament panel in Jerusalem, refused to disclose any information about this other than to say that Israel's policy is not to sell arms to Iran.

(NBC-3)

Brokaw: Iran's Parliament speaker Rafsanjani is quoted today as disputing most of the facts about the U.S. arms sales calling the reports nonsense in his words. He said Iran received no Hawk anti-aircraft missiles and it received, he claimed, fewer than the 2,000 Tow anti-tank missiles reported. Rafsanjani also said that Iran did not pay \$12 million for the arms but he gave no other figure. (NBC-4)

ABC's Peter Jennings: Yet another week at the White House has begun with an agenda completely dominated by the Iran connection. While the President summoned his Cabinet and other foreign policy advisers for a meeting, Justice Department sources say the Department is checking to see if some of the arms shipments to Iran were illegal. And there is a persistent chorus of calls for various members of the President's team to resign.

ABC's Sam Donaldson: President Reagan called a meeting today of his top foreign policy advisers to review the fallout from his Iranian connection. But he also included Attorney General Meese.

(TV coverage of Meese: "I'm late for a meeting.")

The man whose advice to the President that selling arms to Iran and keeping it secret from Congress was legal is being hotly contested on Capitol Hill. At the Justice Department yesterday, Col. Oliver North, the White House aide who arranged early clandestine arms shipments to Iran, was debriefed for several hours. But no matter what anybody in Congress or elsewhere is saying, the President stuck to his guns today and insisted again it was not a mistake.

(TV coverage of the President in the Oval Office: "Why I'm not going to lie about that, I didn't make a mistake.")

But if he was so far rejecting a torrent of public advice to call it a mistake the President's attitude towards suggestions that he shake up his staff was more ambiguous. Over the weekend a number of stories surfaced that Shultz, Poindexter and Regan's heads are being called for by some of the President's California friends, Shultz for disloyalty, Poindexter and Regan for giving bad advice. When the President was asked about shaking up his staff his reply seemed far less than a ringing denial.

(Question: "Are you happy with your staff?" President: "Uh-huh.")

Question: "But you not denying, Sir, that there will be any changes in your staff." President: "I'm not commenting either way, I just told you what I feel.")

One of the President's former longtime political associates thinks immediate firings unlikely.

(Lyn Nofziger: "I think if you start firing people it looks like panic and I don't think he wants to look like he is panicked.")

Question: "Is the First Lady as sanguine about it as you are?"

Nofziger: (Laughs) "Nancy always worries when her husband seems to be in some sort of trouble.")

The First Lady reportedly wants heads to roll but her press secretary denies Mrs. Reagan is part of any California cabal against her husband's staff. If there is anyone who can convince the President to shake up his staff it is Mrs. Reagan, but whatever happens it will not be described as a firing. After all, it is pretty hard to fire someone for giving bad advice while maintaining all the while that no mistake has been made. (ABC-Lead)

Jennings: Well, the President may continue to be convinced that the deal with Iran was not a mistake. Elsewhere in the government the sentiment is quite the opposite. And at a hearing today of the House Foreign Affairs Committee, what was not said was almost as significant as what was.

ABC's Bob Zelnick: Veteran Capitol Hill observers could recall seeing nothing like it before, the State Department's number two man John Whitehead adroitly used his inability to answer committee member's questions as a devastating critique of the White House weapons deal with Iran and the way information about it was kept from the State Department. How much and what type of equipment went to Iran? Whitehead couldn't say because his own department wasn't told. (Whitehead: "The State Department had no operational role. We in the department still do not have a detailed record of what happened.")

And what about Israel, had it been authorized to ship weapons on America's behalf?

(Whitehead: "We do not have specific knowledge of the nature or extent of those shipments.")

Under what authority did the President sell embargoed weapons to Iran, a move many in Congress consider illegal? Whitehead didn't know.

(Rep. William Broomfield: "Mr. Secretary, how do you account for when they send a shipment of weapons or arms over to Iran all of a sudden we get a hostage out?" Whitehead: "I can't account for that.")

Whitehead did say that the Iran of Ayatollah Khomeini remains a state which supports terrorism in Lebanon and elsewhere while trying to replace moderate regional governments with those sharing its religious Islamic fervor. And, said Whitehead, moderate regimes throughout the region fear the U.S. actions will open a flood of new arms shipments to Iran. The source of the problem, Whitehead said, President Reagan's use of the NSC staff to perform secret operations while keeping cable traffic, documents and other information from the State Department.

(Whitehead: "But when they are involved in operational matters, as they were in this instance, we have concern, particularly when we don't know about them.")

Most committee members had high praise for Secretary Shultz and expressed hope that he survives attempts to oust him. Whitehead agreed. George Shultz is in a bruising battle for two of Washington's most precious commodities, power and political survival. He has allies at the State Department and good friends in the Congress and today he used them both.

Jennings: That committee on the Hill seemed unusually sympathetic to the representatives of the State Department, is that my imagination?

Zelnick: Not at all, there is overwhelming bipartisan sentiment in the Congress as well as at the State Department that both were excluded from a key White House decision which turned out to be a disaster and together they are using that fact to make sure they are not excluded the next time around. (ABC-2)

CBS's Dan Rather: President Reagan insisted again today that secretly selling missiles to Iran was a good idea, that he has made no mistake and he isn't going to fire anyone. Behind the scenes there were scrambles to hold onto power by some, to take it away by others.

CBS's Bill Plante: President Reagan, surrounded by the staff members some supporters want him to toss overboard, told reporters he is not firing anybody. But when asked during this meeting with South Africa's Zulu leader whether he was ruling out changes in his staff, Mr. Reagan didn't exactly slam the door.

(TV coverage of President Reagan in the Oval Office: "I'm not commenting either way, I just told you what I feel.")

The President remained stubbornly defiant when asked if he should admit that his policy was a mistake.

(TV coverage of President Reagan in the Oval Office: "I'm not going to lie about that, I didn't make a mistake.")

Later, Mr. Reagan called in top Cabinet and staff members to review U.S. policy in the Middle East as speculation continued over what steps the Administration could take to get back on course. Reports yesterday suggested longtime California supporters like William Clark and Ed Meese were pushing for a staff shake up, wanting to dump Donald Regan, George Shultz and John Poindexter. Sources close to First Lady Nancy Reagan also described her as upset and angry.

(Sen. Bob Dole: "I think right now they oughta circle the wagons, either that or let a couple of wagons go over the cliff.")

The President's Chief of Staff Donald Regan staunchly disagrees.

(Regan: "No, I don't think anybody should resign at this point. I think there should be a thorough study of exactly what happened.")

But on Capitol Hill, Secretary Shultz's number two man John Whitehead continued putting distance between the State Department and the White House saying the Department still didn't have the details of the Iran deal and blasting the role of the National Security Council.

(Whitehead: "But when they are involved in operational matters, as they were in this instance, we have concern, particularly when we don't know about them.")

(Rep. Dan Mica: "We have a State Department out there that's nothing but a crying towel right now, taking the complaints. And two weeks, two weeks now after the fact you can't even tell the Congress, let alone the leaders of other countries, what's going on.") Whitehead, with another indirect swipe at the White House staff, urged support for the President.

(Whitehead: "He may have been poorly advised in this whole incident but it is very important that he maintain his credibility.")

The consensus so far among the President and most of his closest advisers is still that he should try to ride this one out without firing anyone, but there is serious internal dissension among Mr. Reagan's advisers and no one yet knows all the facts, a volatile situation which could blow up.

(CBS-Lead)

CBS's Bob Schieffer: To the public she has always been the adoring wife, adding a touch of glamour and glitter when the occasion warranted, never involving herself in controversy. But the Iran flap is a reminder of the role the public never sees, as one of Ronald Reagan's most influential advisers, especially when the going gets rough. (James Rosebush: "She is the President's closest adviser. She is the first one to see him in the morning and the last one to see him at night.")

As those who listened closely one day in California discovered, she is the one adviser who does not hesitate to prompt the former actor when he forgets his lines.

(TV coverage of the President and Mrs. Reagan. Mrs. Reagan to the President: "We are doing everything we can." President: "We are doing everything we can.")

Now her friends say she is prompting the President to get better advice. They say she is furious, angriest of all at Secretary Shultz for not siding with the President on the Iranian arms sale. That came as no surprise to a former longtime aide.

(Lyn Nofziger: "And I'm sure that Nancy Reagan is deeply concerned. She has always been deeply concerned when things go wrong.")

When controversies have swirled in the past over former Cabinet officers Alexander Haig and James Watt, and when troubles piled up for former aides William Clark and Richard Allen, insiders said Mrs. Reagan was a factor in their departures. So even though the President said today he is not firing anyone, few in Washington saw that as the end of it because Nancy Reagan apparently feels her husband has been badly served, and when she speaks, he usually listens. (CBS-2)

DREW LEWIS

Rather: CBS-owned and operated station WCUA in Philadelphia reports tonight that in spite of President Reagan's denial, there was an attempt this morning to replace Donald Regan with former Secretary Drew Lewis. Lewis reportedly said no, however, no confirmation of this comes from Lewis' office tonight. (CBS-3)

GORBACHEV

Rather: Mikhail Gorbachev began a trip to India today. He did so with another blast at President Reagan's Star Wars missile defense program. He called it "a voracious monster." The latest of many such attacks coincides with a report out tonight from the authoritative military publication Jane's Weapons Systems, a report that says not only do the Soviets have their own Star Wars research, it may be ahead of the U.S. program. Already, says Jane's, the Soviets have the world's first and only anti-satellite system. (CBS-4)

DRUG TESTING

Rather: Amid controversy and court setbacks to President Reagan's order for random drug testing of government workers, word today of a new first of its kind drug test program in the nation's capital. A Justice Department agency says all juveniles arrested for serious crimes in Washington have to submit to testing for pot, cocaine, heroine and PCP use. If the tests come back positive the juvenile has to take periodic tests and or go into a drug program. (CBS-10)

SEX EDUCATION

Rather: The debate in this country about the sensitive issue of sexuality is at the center of a new split of in President Reagan's ranks on whether to reverse one the President's favorite stands.

CBS's Lesley Stahl reports a sex education in St. Paul, Minnesota, just the kind of program the Reagan Administration has been opposing despite a growing problem of unwed teenage pregnancy. A clinic at another school where contraceptives are provided without parental consent, the Administration has actively opposed that too. (President Reagan, 1982: "I think the government has no business injecting itself between parent and child.") But now the President is considering a major policy reversal on sex education and the reason is aids. The surgeon general stunned conservatives by recommending open discussion of homosexuality as early as third grade and the use of condoms by teenagers. But now even those in charge of the policy aren't sure where the Administration stands. There is a fiery debate going on in the Administration between health officials like (C. Everett) Koop and staunch conservatives concerned with family values. The White House hopes to resolve the issue at a meeting in early December chaired by Attorney General Meese. In the past Meese has sided with conservatives and Catholics protesting birth control clinics in the schools. Aids has changed the nature of the debate on sex education, but while the disease has brought on disarray in the Administration there is no confusion over funding. Officials say there will be no increase in money for these programs. (CBS-13)

NAVY SUB HUNTERS

Brokaw: On Special Segment tonight, the sub hunters, a look into the Navy's anti-submarine program. This is the Navy's frontline against the Soviet Union and its top priority, but just how effective is it? Well, to find out NBC's Jim Miklaszewski went to the Mediterranean. (NBC-9)

EDITORIALS/COLUMNISTS

Reagan's 'Credibility Gap' -- "Iran-gate isn't likely to play in Peoria the same as Watergate did. Congress deserves a chance to investigate what happened, and the Administration should be cooperative. There are some legitimate questions to be sorted out. But there's no reason yet to think much has happened besides some ham-handed and ill-thought-out diplomacy." (Detroit News, 11/21)

Reagan's Statements Fail To Mend Credibility Damage -- "At bottom, the fundamental question of overriding importance involves the credibility of the President and of the government he represents. On that question, President Reagan has failed the test.... The people should be able to trust and believe those who rule them. Reagan has put that trust in peril by trying to peddle a transparent fiction as truth." (Atlanta Journal, 11/21)

Restoring Credibility Is Top Task For Reagan -- "President Reagan failed during his latest press conference to provide a persuasive defensive of his secret arms deals with Iran.... In the wake of the mistakes made, if not acknowledged, the first step should be crystal clear: The Administration must return to practicing what it preaches so that what it preaches won't become a casualty of its own practices." (Buffalo News, 11/21)

Iran Imbroglio -- "Now that President Reagan has addressed the issues arising from his covert arms sales to Iran in this week's conference, the American public should put the unfortunate episode behind it.... President Reagan should make some urgent but thoughtful adjustments in his foreign policy apparatus and then turn his attention to domestic and other foreign priorities." (Dallas Morning News, 11/21)

Making Fresh Start After Iran Deal -- "The first step in correcting policy errors is to admit a mistake was made. Regrettably, the President seems unwilling to do this on the Iranian arms deal." (Boston Herald, 11/21)

President Is Out Of The Woods But Not Off The Hook -- "Whether the President's credibility has been damaged, or his foreign policy injured, is difficult to say. In our view, his motives were above reproach: The United States ought to keep its antennae raised in the direction of Tehran, and the plight of the hostages in Lebanon remains a public concern. Nor should it be forgotten that three of those hapless victims are now free, thanks to President Reagan.... The President can build on his successes and profit from his errors. This wound was largely self-inflicted, and will be healed from within, not without." (Providence Journal, 11/21)

A Disappointment -- "Was it too much to ask that a trusted President, loved for his sense of principle and his warm personal style, simply appeal to his country's understanding that his Administration, acting with very good intentions, made a very bad mistake? Today as some members of that Administration begin appearing before congressional committees, details of the secret initiative to Iran may be disclosed behind closed doors, as the President has promised. The disappointment is that the American people themselves did not learn more Wednesday night." (Indianapolis Star, 11/21)

Deeper Into Credibility Gap -- "How ironic -- and shameful -- that Mr. Reagan would authorize and now defend secret arms sales to that regime when he refuses even to negotiate with a Sandinista government in Nicaragua that is downright benign by comparison."

(Louisville Courier Journal, 11/21)

Reagan Policy Shop Needs Wise Head -- "President Reagan's press-conference reckoning with the Iran arms deal was distressing to watch. No American, no matter how partisan, should enjoy seeing any president so humbled; the nation, too, is diminished.... The President must at the very least choose an experienced, thoughtful person of national stature to take the reins of his runaway National Security Council."

(Atlanta Constitution, 11/21)

Iran: Instead Of Admitting A Mistake, Reagan Entangles The Matter Further -- "If anything, the Great Communicator has made matters only worse. He failed not because he lost his knack for touching the hearts of the American people -- although the President certainly wasn't at his best -- but because he has strained his credibility too far.... The only way out of this sorry mess is for the President to stop insulting the intelligence of the American people and admit the obvious: A gross mistake has been made -- and will not be made again."

(Detroit Free Press, 11/21)

Let's 'Clean House' On Foreign Policy -- "Once again, President Reagan's attempt to clarify, explain or justify the fiasco in secret dealings with Iran was a failure. The news conference Thursday night merely confirmed the growing impression of lack of planning and coherence that seems to have characterized the whole operation.... The Administration clearly has a problem of competence and credibility."

(Chicago Sun-Times, 11/21)

Foreign Policy In Tatters -- "The President is gaining a reputation for deliberate misdirection and duplicity. He still denies having traded an American journalist for a Soviet spy. He has yet to publicly regret the disinformation campaign against Libya that leaked into the United States without any White House effort to restrain it. He consistently has misrepresented the implications of the arms-hostages swaps. The list goes on, but what's the point? Obviously unwilling to admit a mistake, the President prefers to seek refuge behind clever simplisms, semantical niceties and unbearably illogical niggling. No wonder American foreign policy is a shambles."

(Cleveland Plain Dealer, 11/21)

Credibility Not Restored -- "President Reagan did little during his press conference on Wednesday to limit damage to the credibility of his Administration. Instead, he may have hurt it by appearing not to have a full grasp of the facts."

(Des Moines Register, 11/21)

Moving In To Destroy A President -- "The most trenchant critics of this single episode in a Persian market could point out that it was, after all, a single episode. If a battle has been lost, there is still a war to be won against terrorism and many another danger this President has recognized, from the Stalinistas in Nicaragua to those whose idea of arms control can be summed up as Peace Through Weakness. The Republic cannot afford another unraveled presidency, another leader lost to Carteritis. It is time to stop this."

(Paul Greenberg, Des Moines Register, 11/21)

JFK And Responsibility -- "President Reagan shares many attributes with President Kennedy -- an easy charm, eloquence and optimism. They also had in common a sense of humor as a weapon against bad news. Reagan might even try the line JFK used after the Bay of Pigs: 'The only thing that surprised us when we got into office was that things were just as bad as we had been saying.'" (Boston Globe, 11/22)

Face Up To Iran Mistakes, Or Repeat Them In Future -- "Public relations won't suffice in the Iran episode because the issues arouse anger across the political spectrum. Unlike arms control or the contra war in Nicaragua, which stir less public ire because they are technologically or ideologically complex, the Iran case is clear-cut.... If the President refuses to review the origins of that fiasco, there is grave reason to be concerned that his Administration will repeat it in the future."

(Philadelphia Inquirer, 11/23)

In A World Of Make-Believe -- "Mr. Reagan's Administration is coming under heavy attack now because the President is vacillating where he used to be most firm -- on the issue of America standing tall and proud rather than appearing foolish and weak to the rest of the world. And because it is Ronald Reagan this time who may be dealing in 'make-believe, self-deceit and above all transparent hypocrisy.'"

(Jerelyn Eddings, Baltimore Sun, 11/23)

Don't Shoot The Piano Player -- "Along the way, as a concomitant of the secret talks, the possibility developed that Iran might intervene helpfully toward the release of American hostages held prisoners in Lebanon. For such intervention a price had to be paid. Reagan paid it. In tangible terms the price was low.... Indirectly at least, the President negotiated with terrorists; while publicly proclaiming a desire to stanch the flow of arms, he permitted the flow of arms. But three hostages were released, and some groundwork may have been laid for future relations."

(James Kilpatrick, Cleveland Plain Dealer, 11/20)

WHITE HOUSE STAFF

Same Old Song, Sour Notes -- "That was an awful act of stupidity and ignorance. The President must stop hedging and fire the bungling amateurs whose disregard of the wise advice of our diplomatic and military experts caused this fiasco. The sooner he does it, the sooner he can begin rebuilding the credibility of U.S. foreign policy."

(Denver Post, 11/21)

Digging In Deeper -- "George Shultz, his most knowledgeable and competent architect of foreign policy, should be given the prominence he deserves in this Administration. Shultz repeatedly has bailed out the President when the kitchen cabinet got him into trouble. If Shultz leaves, there will be no one to call the next time Mr. Reagan rings damage control."

(Bangor Daily News, 11/21)

A President Blinded By Sentimental Impulse -- "This travesty has now gone too far. There is insufficient strategic discipline in the White House and insufficient respect for reality. The President should bring strategic thinking and principle back and rid himself of the those sycophants who acquiesce when he follows sentimental impulse rather than principle."

(Indianapolis Star, 11/21)

Bad Brief For A Policy -- "The amateur White House strategists who tried to help Khomeini wage his insane war against Iraq made a blatant mistake. That mistake should be admitted and rectified." (Boston Globe, 11/21)

A Second-Rate White House Staff -- "Looking ahead rather than back, President Reagan's problem in rescuing himself and his Administration from the Iran blunder now comes down to this: His White House team is overloaded with second stringers, not to say second raters; after six years the Democrats feel they at last have an issue on which they can safely beat up on the heretofore amazingly immune President; and because Mr. Reagan can no longer do them any good politically, his fellow Republicans are worrying more about their own fate in 1988 than about the salvation of the final two years of his presidency."

(Chicago Tribune, 11/23)

It Won't Blow Over -- "The issue is President Reagan's capacity to govern. Recent behavior knocks the assumption that his aides could always support and protect him. Consider how poorly briefed he was for his news conference last week. Stay the course? Stand tall? For the sake of his capacity to govern, more far-reaching remedies are in order. Perhaps that means something dramatic like bringing James Baker back to the White House from Treasury and Brent Scowcroft back from retirement to his old job as national security adviser." (New York Times, 11/23)

Reagan Needs A Hand -- "He can no doubt restore the confidence of the nation between now and the end of the year by a change of attitudes and a change of staff, but he keeps insisting that everything he did in Iran, in Iceland and in Nicaragua was right and everybody else was wrong. Unless that is changed, it will be a long and tormented two years at the end of Ronald Reagan's Presidency."

(James Reston, New York Times, 11/23)

U.S./IRAN

Iran: A Tired Rerun -- "The Administration has good reason to want to keep its arms sales secrets, and it's not for the sake of any hostage deal. They are a shoddy substitute for foreign policy and should not be tolerated by Congress or the electorate." (Journal of Commerce, 11/24)

Commerce In Hostages? -- "The President is undoubtedly correct in noting the limited arms transfers to Iran are insignificant in terms of the military balance between Iran and Iraq. It is the perception, however, that is important. Any shipment of arms to Iran while pro-Iranian terrorists hold Americans hostage in Lebanon will inevitably create the appearance the United States is paying ransom, whether intended or not. The President does not seem to appreciate this fact." (Arizona Republic, 11/14)

Reagan's Explanation Of Overtures To Iran -- "Like Jimmy Carter, Reagan has discovered that there are no snap answers to terrorism and hostage-taking. Like Carter, when he authorized the abortive military attempt to rescue the hostages in Tehran, Reagan has made a decision that has divided his Administration and shocked the nation. But it still isn't entirely clear whether it was right or wrong."

(Honolulu Star-Bulletin, 11/14)

FOREIGN MEDIA REACTION

"The press has suddenly become much more aggressive in its approach to the President. At his press conference he looked a hunted man. The questioning reflected not a professional adversarial relationship, but sheer disbelief...." (Times, Britain)

"It remains the most serious blunder of a presidency in which foreign policy blunders have not been unknown. It has undermined the important theme of anti-terrorism in Mr. Reagan's foreign policy, damaged relationships with America's allies, caused a serious rift with the new Democratic Congress, and cut sharply into the President's popularity.... The real lesson in this episode is that President Reagan should stick to a clear, principled and vigorous policy of anti-terrorism. Super-subtle diplomacy is not for him." (Times, Britain)

"For a man who quotes Churchill a lot, it was not President Reagan's finest hour. His news conference...was marked by his strained appearance, halting phrases, faltering answers and 'misstatements-statements'...." (Daily Telegraph, Britain)

"On the contrary, in making another bad gaffe for which the White House was forced to distribute a clarification, the President increased the prevailing feeling in Washington: Reagan the 'great communicator' has become Reagan the 'gaffer'...." (Le Monde, France)

"After draining the cup, the President nevertheless confirmed the orientation of his policy of rapprochement with Tehran.... In a geopolitical context and given competition with the U.S.S.R. in the area, he did not have any other choice...." (Les Echos, France)

"In short, after the semi-success of his televised speech on November 13, the President was unable to regain lost ground November 19, at least with political circles. Too much confusion and amateurism will amount in a loss of credibility...." (Figaro, France)

"This time, his hesitations gave us a painful impression. He certainly will not lose his positive image overnight. But the Iran affair has hindered his ability to make his personal popularity a guarantee for his political authority." (La Tribune de l'Economie, France)

"After blaming Carter for his weak policy with Iran, he delivered arms to Tehran.... The affair will not be without consequences.... Gorbachev -- who likely was not surprised to see Reagan stumble once again on the accounting of missiles -- he will certainly try to take advantage of the situation." (Liberation, France)

"A President who considered himself invulnerable because of his ability as a communicator, stumbled, got confused, and contradicted himself...." (La Repubblica, Italy)

"It is a fact that even Reagan's supporters concede that this is a battle that their champion can no longer win, but only survive." (La Repubblica, Italy)

"In the United States, Ronald Reagan remains, after all, a popular figure and continues to be viewed with understanding by the majority of Americans.... His uncomfortable television performance, however, reinforces the impression of a chief executive who is increasingly losing control of the foreign policy conducted by his Administration...."

(Il Tempo, Italy)

"The fact that President Reagan has accepted responsibility for the unfortunate undertaking is a noble gesture, but it will hardly silence justified criticism of (his) secret diplomacy...."

(Frankfurter Allgemeine, West Germany)

"'I bear sole responsibility,' said former President Jimmy Carter, telling his fellow-Americans on TV that the military action to liberate the hostages in the U.S. Embassy in Tehran had failed.... Six years later, Americans heard the same statement from President Reagan.... As did Carter, Reagan admitted having suffered a setback but not to having made a mistake...."

(Stuttgarter Zeitung, West Germany)

"The Iran episode may have initiated the post-Reagan era. Relations with the Congress may have been irreparable damaged...."

(Berner Zeitung, Switzerland)

"For many of his years in office, President Reagan bore a charmed life. He often slipped up on details, but this was readily forgiven him because people approve his main stances on American values, a strong America, and so on. But this made the President and his team overconfident; they felt invulnerable -- that they could do what they liked. Now the myth has been punctured.... The White House and, for the first time, Reagan personally have lost credibility."

(Tages-Anzeiger, Switzerland)

"Time and again these talents have saved Reagan when he revealed lack of judgment or basic ignorance of important political issues. He became the teflon-President.... But that much professional undeserved success is dangerous. It increases a person's belief in his own infallibility...."

(Politiken, Denmark)

"The scale of the political scandal sweeping Washington today is unprecedented. The very fact of the use of more than unsavory political machinations and conspiratorial methods accompanied by unabashed lies has no small number of analogs in the history of U.S. foreign policy, the architects of which are out to dominate sovereign countries and peoples. How can one believe those who have made duplicity, double-dealing and adventurism, inseparable parts of their policy?"

(TASS, Soviet Union)

"This is, indeed, a political earthquake in the White House. It shows the shocking extent of adventurist policy, shocking even for the Americans, who are not surprised at anything. It appears once again that the President not only acts against U.S. law, not only ignores Congress and its statutory powers, but also acts contrary to the opinion of members of his Government...."

(Radio Warsaw, Poland)