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# News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, MARCH 16, 1987 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### IRAN-NICARAGUA

Weinberger, Shultz Applauded -- President Reagan, making peace with Secretary of Defense Weinberger and Secretary of State Shultz, said in his weekend radio broadcast they were right and he was wrong regarding the secret policy to sell arms to Iran. (Washington Times)

### INTERNATIONAL NEWS

U.S. And Canadians Optimistic On End To Trade Barriers -- After nearly a year of negotiations, the United States and Canada are starting to make progress toward a trade pact that would eliminate tariffs and non-tariff barriers between the world's two largest trading partners by the turn of the century. (New York Times)

### NATIONAL NEWS

Contra Aid, Highway Bill Top Congressional Agenda This Week -- The fight over spending on the contra rebels in Nicaragua moves to the Senate this week after a House rebuff to President Reagan, and progress is expected toward enactment of a long-delayed highway bill, possibly with an increase in the national speed limit. (USA Today, AP)

### NETWORK NEWS (Sunday Evening)

**IRAN-CONTRA** -- Aides say it is now highly likely that President Reagan will hold his first press conference in four months later this week.

**POLLARD/U.S.-ISRAEL** -- One of the key figures may be ready to challenge the official Israeli government story of non-involvement.

**WEINBERGER** -- Secretary Weinberger is in Spain for two days of talks on the American military presence in that country.

## Says it all

According to recent statistics, the fifth most-common reason for divorce in the Soviet Union is quarrels over standing in line.

But if Soviet citizens get out of line, they are arrested by the KGB.

You just can't win in a country like that.

The Billings Gazette

MAR. 6

## IRAN — NICARAGUA

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### WEINBERGER, SHULTZ APPLAUDED

President Reagan, making peace with Secretary of Defense Weinberger and Secretary Shultz, said in his weekend radio broadcast they were right and he was wrong regarding the secret policy to sell arms to Iran.

The admission is one step farther than Mr. Reagan previously has gone in taking blame for the decision to open dialogue with Iranian moderates and selling arms to Tehran to win release of American hostages held by pro-Iranian terrorists in Lebanon.

(Jeremiah O'Leary, Washington Times, A4)

### IRAN ARMS DEALER USED BARBARA WALTERS TO SECRETLY PASS ON A MESSAGE TO REAGAN

Arms merchant Manucher Ghorbanifar used television journalist Barbara Walters as a conduit to secretly pass on to President Reagan his views about U.S. arms to Iran and related matters.

Ms. Walters, a veteran correspondent for ABC television, interviewed Mr. Ghorbanifar and Saudi businessman Adnan Khashoggi last December, less than three weeks after the Iran-contra scandal erupted. After the interview, Ms. Walters prepared an internal memo outlining, among other things, Mr. Ghorbanifar's private statements, and sent it to the White House, according to Richard Wald, an ABC News senior vice president.

(Edward Pound & Andy Pasztor, Wall Street Journal, A52)

### CONGRESS MAY BYPASS UNDERLINGS IN IRAN-CONTRA PROBE

Congress is considering granting immunity to key figures in the Iran arms affair before its investigators have interviewed all the staff members who worked directly for former National Security Adviser John Poindexter.

"All I can say is that's not the classic way to go about it," said James Neal, who was associate special prosecutor in the Watergate case. "You want to interview all the people at the lower level you could...before you escalate on up," he said.

(William Welch, AP)

### POINDEXTER TESTIMONY ANTICIPATED

Congressional investigators expect to reach an agreement with the Iran-contra special prosecutor by midweek that could allow private testimony to be taken from Rear Adm. John Poindexter in 45 to 60 days, sources familiar with the probe said yesterday.

A deal being worked out between the two committees would allow private testimony to be taken from Adm. Poindexter in early to mid-May.

(Mark Matthews, Baltimore Sun, A1)

Poindexter Could Testify By Mid-May Through Compromise In Works, Report Says

Former National Security Adviser John Poindexter could testify privately by mid-May before congressional investigators looking into the Iran-contra affair through a compromise between two congressional panels and the independent counsel, the Baltimore Sun reported today.

The Sun reported that congressional investigators ought to have "a good handle" by mid-May on where money diverted from Iran arms sales went. (AP)

**BUSH DENIES ADVISER LIED ON CONTRA ISSUE**  
**Gregg 'Forgot' Meeting Resupply Expert**

Vice President Bush denied in an interview broadcast last night that his national security adviser, Donald Gregg, had lied when Gregg claimed that he never discussed the Nicaraguan contras with a key figure in the contra resupply operation.

Bush said that Gregg "forgot" about a meeting on the contras that he had held with Felix Rodriguez, who was participating in the resupply effort and had come to Gregg for help last August.

(David Hoffman, Washington Post, A3)

**HOSTAGE'S SISTER DEFENDS REAGAN ON IRAN ARMS DEAL**

The sister of kidnapped Associated Press correspondent Terry Anderson said yesterday that President Reagan is being "unjustly castigated" for his arms-for-hostages deal, characterizing it as a response to the public's demands.

"The mandate was to do whatever you have to do to get these men out of there," Peggy Say told reporters and parishoners at the First Baptist Church in Northwest Washington. "The initiative chosen was debatable, but he did do what the American public wanted," she said.

(Leah Latimer, Washington Post, A15)

Anderson's Relatives, AP Executives Mark Journalist's Two Years Of Captivity

VALLEY FORGE -- Friends, colleagues and relatives expressed hope for the release of Terry Anderson and frustration at the continued imprisonment of the American journalist snatched off a Beirut street two years ago today.

"Terry is where he is because he believed in the sacredness of what he was doing -- trying to tell the story of a suffering people, tell it to readers and listeners and viewers all over the world," Louis Boccardi, president and general manager of The Associated Press, said in a statement today. (Lee Linder, Ap)

### LEADERS OF GOP SEE LIGHT IN IRAN TUNNEL

Although the Iran-contra affair has cast a pall over Republican chances in 1988, party leaders are cautiously hopeful they have begun to turn the corner on the scandal.

Republican candidates and officials acknowledge that the Reagan Administration's arms-for-hostages deal has seriously damaged the GOP's political standing at the outset of the presidential election campaign, causing a falloff in party fund-raising and threatening to undo the political gains of the past six years.

Apprehension over the Iran affair continues to run deep in Republican circles, but party leaders are seizing on what they consider the first faint signs that the worst of the political damage may soon be behind them.

(Paul West, Baltimore Sun, A1)

### FORMER HIGH-LEVEL CIA SPY DENIES INVOLVEMENT IN IRAN-CONTRA ARMS CASE

Theodore Shackley, a retired spy who spent his life keeping secrets, is going public in his effort to distance himself from friends, former co-workers and one-time business partners caught up in the Iran-contra case.

"I have had nothing to do with the contras," said Shackley, once the No. 2 man in the CIA's clandestine service. He left the agency in 1979 under a cloud caused by his friendship with ex-CIA agent and convicted gun-runner Edwin Wilson.

(Joan Mower, AP)

## **INTERNATIONAL NEWS**

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### **U.S. AND CANADIANS OPTIMISTIC ON END TO TRADE BARRIERS**

**Officials Say Broad Outlines Of A Pact Are Emerging --  
Visit By Reagan Is Set**

After nearly a year of negotiations, the United States and Canada are starting to make progress toward a trade pact that would eliminate tariffs and non-tariff barriers between the world's two largest trading partners by the turn of the century.

Officials from both countries said the pace of the talks had accelerated to point where the broad outlines of an agreement were starting to emerge. "We have made considerably more progress than most people realize," said United States Trade Representative Clayton Yeutter.

(Clyde Farnsworth, New York Times, A1)

### **IMPATIENT GOP LAWMAKERS NEED REPORTS TO DEFEND SDI**

Senate Republicans are growing angry with the Pentagon for its tardiness in delivering two reports on the Strategic Defense Initiative, and they say the tardiness could endanger their efforts later this year to protect the program from budget cuts.

The delay "is signaling that the Administration has not decided collectively where it's going on the SDI program, what it's going to do with the ABM treaty, how that fits into Geneva (arms control negotiations)," one Hill staffer said.

(Warren Strobel, Washington Times, A3)

### **600-SHIP NAVY SAILING INTO ROUGH FISCAL SEAS**

A 600-ship U.S. Navy is almost here. It will include many of the newest and best ships and submarines in the world and will be staffed by the highest quality officers and sailors in peacetime history.

For President Reagan, who promised to buy such a fleet as part of his \$2 trillion rearmament program, that is the good news. The bad news is that the next president may well find this fleet too expensive to maintain, arm and staff, particularly because so many of the 600 ships are so old that they will have to be replaced or renovated at great cost.

(George Wilson, Washington Post, A1)

### **WEINBERGER INSISTS NSC HALT HIGH-TECH SALE TO IRAN**

Defense Secretary Weinberger is demanding that the National Security Council referee a bitter dispute between the Pentagon and the Commerce Department over licensing the sale of U.S. computers in Iran.

The Pentagon's opposition is so fierce that Mr. Weinberger wants President Reagan's NSC to rule on whether to proceed with the proposed transaction, Administration officials said.

(James Dorsey, Washington Times, A1)  
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## WEINBERGER TO PRESS SPAIN TO KEEP F-16S AT PROTEST BASE

MADRID -- Defense Secretary Caspar Weinberger said he would press the Spanish government today to allow 72 American F-16 fighter jets to remain in the country for Atlantic alliance defense.

"From our point of view, they are a vital part of NATO's defenses. They are urgently needed," he told reporters who flew to Spain with him from Washington last night. (Charles Aldinger, Reuter)

## END SPLIT ON CONTRAS, ADMINISTRATION URGED Departing Official Cruz Says Bipartisan U.S. Policy, New Rebel Leadership Needed

Divisions within the Reagan Administration over how to handle the Nicaraguan contras must be overcome if the movement is to survive, according to departed contra leader Arturo Cruz.

Cruz, 63, who resigned last week as one of three directors of the United Nicaraguan Opposition, also said "UNO is dead" as a result of internal power struggles. He said UNO must be revamped with new leaders in "a last-ditch effort" and U.S. policy must become bipartisan before the contras will make any progress toward overthrowing the leftist Sandinista government of Nicaragua.

(Joanne Omang, Washington Post, A16)

## Contras Need Internal Reform To Survive, Cruz Declares

Nicaragua's anti-Marxist resistance is not dead, but it is "very ill" and needs internal reform as well as continued support from the United States to survive, according to former contra leader Arturo Cruz.

"It is essential to have a two-track approach" of military and diplomatic efforts to restore democracy in Nicaragua, said Mr. Cruz, who resigned from the three-man United Nicaraguan Opposition directorate earlier this month.

(Willis Witter, Washington Times, A8)

## DEM LEADER SEES GOP FILIBUSTER ON CONTRA AID Byrd: No 'High Hopes' To Stop \$40M

Senate action remains uncertain as a Friday deadline looms for Congress to block \$40 million for the contra rebels fighting in Nicaragua.

But Senate Majority Leader Robert Byrd is expecting Republicans to mount a filibuster. Byrd said the death of Sen. Zorinsky, D-Neb., and his replacement by Republican David Karnes adds a vote for contra aid.

(Fred Ankam, USA Today, A4)

## ISRAELIS SIGN LETTER OF SUPPORT FOR POLLARD

JERUSALEM -- Hundreds of Israelis have signed a letter of support for Jonathan Pollard, a former U.S. Navy analyst sentenced in Washington to life in prison for selling Israel classified military documents.

"We, the undersigned citizens of Israel, reject with disgust the way Israel treated you in your hour of sadness and need," said the letter, addressed to Pollard and his wife. (AP)

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## ISRAEL PAYING POLLARD'S LEGAL COSTS, STATE RADIO

TEL AVIV -- Israel is paying the legal bills of Jonathan Pollard, Israeli Radio said today.

Asked to comment on the report that followed mounting public pressure on the government to help Pollard, a Foreign Ministry spokesman in Jerusalem said, "We have nothing on that."

The radio, however, said that "state elements in Israel" indirectly sent James Hibey, a Washington lawyer for Pollard and his wife ANne, \$80,000 to cover the couple's legal fees, which it reported totalled \$120,000.  
(Jeffrey Heller, Reuter)

## PERES DECRIES U.S. SPY CASE 'MISTAKE'

JERUSALEM -- With two official probes of the Jonathan Pollard spy scandal under way, Foreign Minister Shimon Peres reiterated yesterday the operation against the United States was a mistake.

"I feel, to start with, there is nothing criminal to (want to) support Israel or sympathize with Israel, whether you are Jewish or non-Jewish," Mr. Peres told Israel state radio. "But as for spying on a friendly country, it is a mistake, and I distinguish between a feeling and a mistake. These are two completely different things."

(Washington Times, A6)

## U.S. TRIES TO HEAD OFF ANOTHER ENERGY CRISIS

The Reagan Administration is convinced that the U.S. is consuming its way into another energy crisis.

A Department of Energy report, to be released tomorrow, warns of a growing dependence by the United States and other Western nations on Persian Gulf oil, informed sources say. If the current trend continues, the report says, there will be heavy costs to the American economy.

(Donald Rheem, Christian Science Monitor, A1)

## IRAN/MISSILES

Iran has installed several large missiles near the Strait of Hormuz, increasing its threat to the flow of oil out of the Persian Gulf, the New York Times reports.

Installation of the missiles has allowed Iran to increase its threat to the flow of oil out of the Persian Gulf and could represent an escalation in Iran's war with neighboring Iraq, the newspaper said, quoting U.S. intelligence sources.  
(UPI)



## ***NATIONAL NEWS***

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### **GRAY FINDS BUDGET NO EASY DEAL, EVEN WITH DEMOCRATS IN POWER**

One might think that with Democrats now controlling both houses of Congress, it will be easier to pass a federal budget. Think again, says House Budget Committee Chairman William Gray.

Passing a workable 1988 budget promises to be harder than ever as Democrats are forced to consider raising taxes, loosening politically popular Gramm-Rudman deficit targets or cutting programs voters consider essential.  
(Gene Grabowski, Washington Times, A5)

### **CONTRA AID, HIGHWAY BILL TOP CONGRESSIONAL AGENDA THIS WEEK**

The fight over spending on the contra rebels in Nicaragua moves to the Senate this week after a House rebuff to President Reagan, and progress is expected toward enactment of a long-delayed highway bill, possibly with an increase in the national speed limit.

While the Iran-contra arms affair helped fuel a strong symbolic vote against continued aid to the contras in the House last week, Senate Democrats weren't sure they could do the same this week.

Although somewhat less controversial, a lot more money is at stake as Congress tries to wrap up work on a highway construction bill that would provide \$65 billion for road construction in the next five years and \$16.5 billion for mass transit.  
(AP)

### **55 vs. 65 Debate Nearing The Finish Line**

Debate over the USA's 55 mph speed limit reaches a crossroads Wednesday with a key vote in Congress. The House will vote on whether the speed limit -- in force since 1974 -- should be hiked to 65 in rural areas.

The Senate's already said yes; President Reagan's in favor as well.

(Fred Anklam, USA Today, A1)

### **GORE: CONGRESS MAY MOVE TO BAN SURROGATE MOTHERS**

The Vatican's ruling banning artificial means of conception is headed for "substantial" opposition in Congress, which may, however, move to ban surrogate motherhood, say lawmakers, legal experts and religious leaders.

"I think there are reasons for examining legislative initiatives that will help to steer technology toward a more humane outcome," Sen. Gore said. "I think the proposal for a ban on surrogate motherhood may receive some very serious consideration within the Congress and in state legislatures."  
(Henry Rosso, Reuter)

## CHALLENGES AND EXPECTATIONS

News conferences have always been an ordeal for Ronald Reagan, and they have become increasingly unbearable for him as their frequency has diminished in the twilight of his presidency.

The concern in the White House is that Americans may now see Reagan through different eyes and expect from him a higher level of accuracy on all matters and a more secure grasp of issues. The President's managers also believe that Americans are likely to remember Reagan's promise in his carefully scripted speech earlier this month that he had learned his lesson and would pay more attention to the inner workings of his government.

Reagan could match these words with deeds by showing at his news conference that he understands the complexities of the challenges facing his Administration. When he goes before the cameras this time, Americans may be watching to see if the President is capable of measuring up to hard questioning without a script in hand. (Lou Cannon, Washington Post, A2)

## THORNBURGH, BENNETT STEAL OVATIONS AT GOP'S RALLY WEEKEND IN N.H.

NASHUA -- Two leading Republicans who are not presidential candidates drew the most applause here at a GOP gathering billed as a "weekend with the next president."

The biggest surprise, according to a number of observers, was the performance by former Pennsylvania Gov. Richard Thornburgh, who substituted for Senate Minority Leader Robert Dole on a Saturday panel originally reserved for GOP presidential hopefuls.

(Ralph Hallow, Washington Times, A2)

## DEAVER/INDICTMENT

Saying he expects to be indicted this week on perjury charges by a federal grand jury, former White House deputy chief of staff and personal friend of the Reagans, Michael Deaver is striking back at his accusers. In an interview in this week's Newsweek magazine, Deaver said many of his congressional critics are guilty of using a double standard.

In an angry comment that won't make him many friends on Capitol Hill, Deaver denounced the "outrageousness of congressmen saying that I violated the public trust, when they go out and make all the money they want on speaking fees" paid for by special-interest groups.

(Chuck Conconi, Washington Post, B3)

## STUDY QUESTIONS ETHICS OFFICE RULING

A congressional study is questioning decisions of a government ethics office that allowed former White House officials to initiate business contacts with former colleagues in other Administration offices.

The General Accounting Office study, made public Sunday, said the office of government ethics ruled "without any substantiating explanation" to allow the contacts.

(Linda Werfelman, UPI)

## **NETWORK NEWS SUMMARY**

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(Sunday Evening, March 15, 1987)

(Note: CBS did not air broadcast)

### **IRAN-CONTRA**

ABC's Sam Donaldson: President Reagan continues to work to dig himself out of his Iranian arms sale scandal. And he's prepared to use a tactic he hasn't employed for four months: a news conference.

ABC's Kenneth Walker: President Reagan returned from Camp David to begin preparing for one of the more critical elements of his efforts to recover from the Iran-contra scandal -- a press conference tentatively set for Thursday.

(TV coverage: The President and the First Lady arriving from Camp David.)

That'll be four months to the day after the President's last press conference, a disastrous encounter which sent Mr. Reagan's standing in the polls into a nosedive and raised serious questions about his credibility over secret arms sales to Iran.

(The President, at his Nov. 19 press conference: "We weren't giving the ayatollah Khomeini the, it's a strange situation.")

That was the last time the President publicly took questions about the scandal, although he's tried to talk his way out of the crisis several times. The latest such effort, in yesterday's weekly radio address, was a defense of alleged "paciivity" to the arms sales by Secretary of State Shultz and Defense chief Weinberger.

(TV coverage: Still photo of the President giving address. Pictures of Secretaries Shultz and Weinberger appear below)

Mr. Reagan used the speech to go as far as he has in accepting blame.

(The President: "They were right and I was wrong.")

Right behind the President, Vice President Bush, campaigning over the weekend in New Hampshire, continues to be dogged by questions of his involvement in the scandal. The Miami Herald published a 1985 letter from Bush showing that at a time when Congress had barred all aid to the Nicaraguan contras the Vice President referred a request for help for a contra medical brigade to then national security aide Oliver North. A press conference, while continuing the drive to show Mr. Reagan's in command of the government, is not without risks. Explaining the four-month record of often contradictory statements won't be easy for the President who wants badly to put this crisis behind him so he can focus on the remaining goals of his Presidency: an arms control agreement with the Soviets and winning the budget deficit fight with Congress.

(ABC-2)

NBC's Robin Lloyd: The President once again had nothing to say to reporters this afternoon, but aides say it is now highly likely that President Reagan will hold his first press conference in four months later this week.

(TV coverage: the President arriving with the First Lady from Camp David.)

Thursday is the target date. The President's advisors have been tentatively planning this press conference for three weeks. They believe the President did well in his prepared response to the Tower report, but they know he can no longer avoid facing reporters.

(TV coverage: The President delivering his Mar. 4 address)

As one aide put it, "It's the only way he can put a stop to the constant clamoring from the press."

(Reporter: "Will you take questions at a news conference soon?

The President: "We're talking about that.")

For the past week, the President has largely refused to answer reporters questions, reportedly on the advice of his new Chief of Staff Howard Baker. The President even pretended he had laryngitis.

(The President, whispering: "I've lost my voice.")

Reporters have grown increasingly frustrated.

(Helen Thomas: "He has to be accountable, he has to answer the questions, he has to show that he is in charge, he has to show that he has credibility. He's lost a lot, no question about it. He knows that more than anyone else.")

Democrats on Capitol Hill are also growing impatient.

(Sen. Gore: "More and more, people are saying, 'Well, when is he going to answer questions about this.' I think it's overdue.")

What concerns White House officials is that the President will stumble or make a mistake. After his last press conference, his aides had to put out an immediate correction on the way the President characterized Israel's role in the Iran affair. Former White House officials say what's at stake is whether the President can dispel criticism that he's not up to the job.

(David Gergen: "Well, I think that if he were to have a series of mistakes in this press conference that suggested that he was out of touch, not on top of the job, that of course would open a whole new series of questions about his presidency.")

Aides acknowledge they expect that most of the questions will center on what the President knew about the Iran-contra affair, and also what he knew about the entire secret White House operation to fund the contras. In the past two weeks the President has had several meetings with his special advisor on the Iran affair, David Abshire. Aides say preparations will continue through the week. Officials here say an absolutely final decision on the date has not been made yet. But as one White House official put it, "There's no avoiding a press conference. We might as well get it over with." (NBC-Lead)

NBC's Chris Wallace: One of the central questions in the arms scandal has been Vice President Bush's connection to the contra rebels. Today, the Miami Herald printed a 1985 letter in which Bush referred a contra supporter to former NSC official Oliver North.

NBC's Tom Pettit: George Bush was not talking today when he went out for a ride. Especially not about his role in recommending that a pro-contra physician from Guatemala get in touch with Oliver North. Bush's contra connections are a mystery not answered by the Tower commission. The Miami Herald said today Bush wrote the Dr. Castejon in 1985 answering him, suggesting he take his idea for shipping combat medical supplies to Lt. Col. North. Bush's chief of staff Craig Fuller said Bush's letter was appropriate and routine. "I am astonished that it is front-page news," Fuller said. Bush wrote the letter March 3, 1985, but all military aid to the contras was prohibited. His son, Jeff Bush, had forwarded to his father a letter in Spanish from Dr. Castejon. Bush's office said he declined to meet with Dr. Castejon in Washington to discuss medical supplies to contras. He suggested he could contact Oliver North directly or through Bush's staff. Fuller said there was no further contact with Dr. Castejon, but he does not know about North and Castejon -- does not know if North was sent a copy of the Vice President's letter. At the time, Bush was sure North would want to see the pro-contra doctor. The doctor said he not only saw North, but he met with President Ronald Reagan at the White House sometime in 1985. The White House said it knows of no such meeting. As it turns out, the doctor's plan to send medical supplies to the contras was apparently legal, but it fell through. Bush's contra sympathies come as no surprise, unless there are more damning letters about the Bush-contra connection. (NBC-2)

#### POLLARD/U.S.-ISRAELI RELATIONS

ABC's Sam Donaldson: With the Israeli investigative committees now looking into the circumstances of how convicted spy Jonathan Pollard came to work for Israel against the U.S., one of the key figures may be ready to challenge the official Israeli government story of non-involvement. Rafael Eitan has reportedly been telling friends that top officials of the Israeli government knew all about Pollard's activities.

ABC's Dean Reynolds: He is one of the Israelis who allegedly directed Jonathan Pollard's spying against the U.S., something the government here insists was an unauthorized rogue operation. But former intelligence agent Rafael Eitan, who's links to Pollard are being investigated by Washington, was quoted today as saying his government superiors knew all about the spy. Moreover, Eitan reportedly said he is not willing to be sacrificed to cover for the knowledge and responsibility of others. but after meeting today with the legislative committee, one of two panels now looking into the affair, Eitan said the substance of his quoted remarks was untrue. Getting to the truth is precisely what Israel should be doing, in the view of American Jewish leaders who have been arriving here to make just that point diplomatically....

Reynolds continues:

Israelis are responding to appeals for donations to cover Pollard's \$200,000 legal bill. And with moral support, because the government here has done nothing to assist the man who sold U.S. secrets to Israel, the average citizen has stepped in. Private support for Jonathan Pollard may be growing, but so too is public skepticism about the extent of Israeli involvement in this affair. Because the government here only belatedly agreed to investigate the matter, there is now keen interest in what that investigation will turn up.

(ABC-Lead, NBC-7)

WEINBERGER

Wallace reports Defense Secretary Weinberger is in Spain for two days of talks on the American military presence in that country. Just hours before Weinberger arrived, police battled anti-American protesters outside a U.S. Air Force base. Tens of thousands of demonstrators marched fourteen miles from Madrid to the base. They demanded American forces get out of their country.

(NBC-5)

HOSTAGES IN LEBANON

Donaldson reports the families of hostages still being held there is a heavy and continuing emotional cost. The families and friends of Associated Press reporter Terry Anderson, seized in Lebanon two years ago tomorrow, made that point this Sunday.

ABC's Karen Stone reports on the plight of families whose loved ones remain in captivity in Lebanon.... During a news conference, Peggy Say [sister of Terry Anderson] says that she does not advocate trading arms for hostages, but she thinks President Reagan is being unjustly castigated for responding to public pressure.

(Peggy Say: "The very fact that an initiative was chosen indicates that President Reagan did try to do what all of us had told him to do. And I think he at least deserves credit for that.")

State Department officials, noting the second anniversary of Anderson's captivity, renewed their call for the release of all hostages, but beyond that there is no indication the anguishing wait for the hostages and their families will end anytime soon.

(ABC-3)

Donaldson reports a pro-Iranian terrorist group in Lebanon said today it will execute one of its French hostages tomorrow. The Revolutionary Justice Organization said a French television technician would be executed because France had not clarified statements about selling weapons to Iraq.

(ABC-4)

## **ABC -- THIS WEEK WITH DAVID BRINKLEY**

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

Guests: Rev. Bartholomew Kiely, professor, Vatican's Georgian University; Rt. Rev. Daniel Pilarczyk, Archbishop of Cincinnati; Richard Viguerie; Susan Wolfe, medical ethicist.

Subject: The Vatican's decisions this week regarding birth and conception.

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FREE-FOR-ALL DISCUSSION -- Tom Wicker joins panel.

The Pollard case and U.S.-Israeli relations:

Will: It was outrageous to begin with, both in terms of the quantity of the material he absconded with and the sensitivity of it. But there's an aspect of the aftermath that is particularly disturbing. There is coming from some quarters in Israel...the suggestion that what the Pollards did was what any public-spirited, healthy, ethical Jew would do. That is favor Israel first. Now this exacerbates a terrible long-standing sensitivity in the U.S. about the charge, and it's baseless, it's a canard, but it's there that Jewish Americans, by being loyal to Israel, somehow have a double loyalty that makes them less valid as American citizens and that's the real poison in this case.

Donaldson: But in the case of Pollard, the prosecutors at least allege, that was his attitude. Israel right or wrong, Israel first.... So if that is correct then he himself lived the kind of life that gives currency to that kind of charge. But what the Israeli government did here, I think, is very clear. This wasn't a rogue operation. Col. Sella, since promoted..., after he was indicted...the Israeli government by that act clearly said: "Whether we were in on it or not we approve of it." And that's contemptuous of the whole relationship and somehow the Israeli government has to be persuaded it must not do that or else the relationship is going to deteriorate badly.

Wicker: I don't think it's just the relationship between Israel and the U.S. that has suffered here. In fact, in many ways those two countries have ...made themselves so dependent on each other that they can overcome that sort of thing. It seems to me the attitude of the Israeli government in the promotions and in more or less washing their hands of this affair is saying they really have no responsibility for it. It seems to me ultimately that damages Israel in two ways. One, it already has enough difficulty in the world, the way people look at Israel...that certainly doesn't, in my judgement, help them improve their position in that sense. And the other way, it seems to me as a non-Jew in looking at Israel from this country, it seems to me that I've seen a progression in that country's policy over a number of years now away from the things that one once admired about Israel towards a reliance upon sheer strength and sheer assertion of interest and a movement away from what one hoped for, perhaps unrealistically, a sort of a moral position by Israel. I think that's very damaging for Israel.

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## ***CBS -- FACE THE NATION***

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Moderator: Lesley Stahl.

Guests: Roger Smith, Chairman and CEO of General Motors; David Halberstam, author of The Reckoning; Maryann Keller, vice president of Furman, Selz.

Subject: The state of the U.S. auto industry.

Stahl: General Motors' profits fell 28% last year. We spoke earlier with Roger Smith and asked him if the giant corporation is in trouble.

Smith: No, no more than you can say any American company is in trouble.... We need a little help from our government to make us world-class competitive by getting some of the really obnoxious regulations out that make it very costly to us....

Stahl: ...What would you like to see in a trade bill? Would you like to see stiff sanctions and quotas and that kind of thing...?

Smith: No, it's going to take more than legislation to get out of the trade problems we have. We can't legislate our way out. And that's my biggest worry about the trade bill.... We need to see the dollar come down a little. It's still over-valued....

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## ***NBC -- MEET THE PRESS***

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Moderator: Marvin Kalb.

Panel: Ken Bodie of NBC and Cokie Roberts of National Public Radio.

Guests: Bishop James Malone, immediate past president of the National Conference of Catholic Bishops; Father Richard McCormick, professor of Christian Ethics at Notre Dame University; Sen. Albert Gore, vice chairman of the Congressional Biomedical Ethics Board.

Subject: The Vatican's decisions this week on birth and conception.

Roberts: Sen. Gore, you have had hearings on the whole question of test tube babies, and have looked at all the biomedical questions. Do you see a role for government here as you look at this document...?

Gore: Actually I think there is a need for legislation, but I don't think we should be forced to choose between a completely laissez-faire approach on the one hand or an outright and total ban on the other extreme....

As an example, I think that the proposal for a ban on surrogate motherhood may receive some very serious consideration in the Congress and in state legislatures, but if a majority felt that went too far then there might well be discussion of a legislative proposal that would disallow the enforcement of such contracts unless and until the surrogate mother had an opportunity to change her mind during a period following the birth experience....

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## ***THE McLAUGHLIN GROUP***

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Moderator: John McLaughlin.

Panel: Morton Kondracke, Fred Barnes, Robert Novak, Jack Germond.

On Contra aid:

Barnes: Things really could be worse for the contras and they may be next week when the Senate votes on this aid, but they aren't dead yet because these votes now aren't on the contras, per say, but on Reagan and on the Iran scandal. Come next fall, then the House and the Senate will vote on whether to abandon the contras when there are twelve or fifteen thousand of them in the field in Nicaragua, that's going to be a lot harder and the Reagan Administration only needs to turn around less than twenty votes and it's still possible they can do it.

Novak: The shame is that we are on the verge once more of betraying a peasant army that we have put into being. I hope...it is hard for those people on the Hill to betray the people they have sent into combat, but I think they can do it.

Germond: I don't think you ought to read too much into that House vote. And the reason for that is they knew they were casting a vote that would not in fact cut off the \$40 million. ...I think probably a substantial number of those people voted that way because it was a free vote for them and they wouldn't vote that way if you really got down to it. I don't think we're going to have a real answer on this thing until the fall....

Kondracke: ...The President can veto a cut-off of this \$40 million, which he would do in a minute, but this is a very bad sign. It is a lot of people pledging themselves against contra aid for the next vote that comes up in the fall. It is recoverable, there are seventeen votes that have to be switched. Tom Foley...says that the seventeen votes could be switched if the Administration makes a good faith effort to negotiate this thing out. Now it seems to me that the Arias plan...is the correct vehicle, properly moderated.

Barnes: There's only one way you can get what the Arias plan is after and that's...democracy in Nicaragua. There's no way to create that except through the contras, through the pressure of the contra insurgency, either they win or they force the Sandinistas to negotiate.

McLaughlin: The question Ronald Reagan has to face is: Is he going to give up the fight for the \$105 million that he wants down the line or is going to stay with it? Is he going to take the message from Bob Michel and other Republicans and move into the transition or is he going to fight it out?

Barnes: He's going to fight it out. Bob Michel does not reflect the thinking of a majority of Republicans in the House.

Novak: I think the President -- he is still Reagan -- and he is not going to reflect John McLaughlin and Bob Michel.

Germond: I think it depends on whether he gets caught with his own fingerprints on the diversion of the money from the Iran arms sales. If he does, the \$105 million is dead.

Kondracke: Of course he's going to fight for it and so will Frank Carlucci and Frank Carlucci is going to shift the balance finally from the CIA to the favor of the politicians who want to negotiate.

McLaughlin: What's going happen is that they're all going to get on board the Arias plan. They're going to tie about \$30 million, not \$105, to humanitarian aid and it may actually survive.

On the Pollard case and U.S.-Israeli relations:

Kondracke: The Israelis have had in the U.S. a compliant milk cow forever. They get weapons, they get intelligence advice, they get protection, they get political support from the U.S. Now they've decided to try to eat the cow.... I think this is disgraceful on their part and an end's got to be put to it...by the Congress of the U.S., in the form of a sharp slap on the wrist and cut in aid next time, in order to inform them that this can't continue.

Germond: The most striking thing about this story over the last two weeks is the absolute silence from Capitol Hill. They're so craven, you call them up and say, "Anyone going to do anything about foreign aid?" Let's talk about background -- nobody wants to be quoted....

Novak: Those people on the Hill, the same people who are selling out the contras, are so afraid, so terrified, that anything they might do might hurt their financing, might hurt their campaigns, I guarantee you this is not going to make an iota of difference is U.S.-Israeli relations. They can do anything, they can eat the milk cow and spit it out! And it still will not do anything.

Barnes: This is seriously going to hurt Israeli-American relations because the Israelis have done, among other things, they've been politically stupid and insulting. They thought that with this particular scandal environment in the U.S. that they could stone-wall investigators and they can't get away with it.

On Maureen Reagan:

Barnes: She may be hare-brained, but there's a big difference between Maureen and Nancy Reagan. Maureen Reagan has been elected to something.

Novak: Maureen is being attacked terribly because this position that they should be court-martialed is actually a moderation of her previous position. She had a private luncheon with the staffers at the Republican National Committee and she said that North and Poindexter should be taken out and shot and so this court-martial is really a moderation. I think when the President's daughter, out of nepotism, is forced on the Republican National Committee, that's nonsense.

Germond: This whole thing is nothing, the minute her father leaves office she's gone.

Barnes: That's two more years, Jack, she's going to be in there.

McLaughlin: Was she put up to this? Is the strategy perhaps, we trash Poindexter and North, we destroy their credibility because everybody in Washington knows that these two guys are going to go up there and say that they told the President a couple of times about the diversion of funds. We kill their credibility now and that helps the President get off the hook.

Barnes: Maureen Reagan is not part of any presidential strategy or any White House strategy whatever. She horned her way into this press conference to say something that was on her own mind and I must say I'm glad she's not my lawyer.

#### PREDICTIONS:

Barnes: The White House has decided on a theme for the Economic Summit in June to show the Europeans how dependent they are on American leadership. The theme is the fortieth anniversary of the Marshall Plan.

Novak: Sen. Bumpers within five days will announce his presidential campaign. Guess who is reconsidering and may enter? Pat Buchanan, if the Kemp camp doesn't get moving.

Germond: If the Administration gets into a crunch on contra aid later in the year, they'll throw Elliott Abrams over the side to get it.

McLaughlin: It will soon be made evident that the Soviet Union is a de facto member of OPEC, which means that pricing will be affected as well as production and exports. Watch that one.

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## **AGRONSKY & COMPANY**

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Moderator: Martin Agronsky.

Panel: James J. Kilpatrick, Lou Cannon, Strobe Talbott, Carl Rowan.

### Contra Aid

Rowan: It was always a policy heading no place better than to sending U.S. troops into Nicaragua. Let's hope the Iran-contra scandal and disarray in the contra's movement leads the Administration to something else.

Kilpatrick: I'm afraid it may be the end of the President's policy and I'm sorry it's going in that direction. One of these days the liberal Democrats who voted this down will be regretting it keenly.

Cannon: The beginning of the end probably came the day that Attorney General Meese appeared in the briefing room and announced proceeds from the Iran arms sales appeared to have been diverted to the contras. The fact is that whether you support this policy or oppose it, it has always been an unpopular policy in this country. It was unpopular when the President was at seventy percent in the polls and it's more unpopular now.

Talbott: What it is the beginning of is the great who lost Nicaragua debate of 1987 and 1988.

Agronsky: Why when everyone accepts that neither House of Congress wants to give aid to the contras and certainly not approve aid to the contras in the next effort at an appropriation. Why is it that everyone accepts that this \$40 million that is now under consideration has to go forward and be given to the contras?

Rowan: While a majority will not want that \$40 million to go forward, there are enough members in both Houses who believe there's a risk of another Cuba, there's the risk of a Soviet military base there and they don't want to face the heat so they say, "We'll vote to let the money go forward or at least we will vote to sustain the President's veto."

Talbott: The risk is more immediate and political and domestic. The risk is that the Republicans in the Administration will be able to accuse them of setting up a condition in which Nicaragua....

Kilpatrick: When Nicaragua falls, when Nicaragua gets to be a Soviet puppet state, you guys are going to regret it.

Rowan: The trouble in Central America and Latin America is not the danger of Soviet military base. You know where they're licking our pants off right now? In the field of diplomacy and trade. When I was in the State Department only three countries down there would even have diplomatic relations with the Soviet Union. Now they are in sixteen countries, they've got a diplomatic base in every important country in Central and South America and they are down there telling the people that we're killing them with high interest rates and so forth. So it's not Soviet arms that I worry about, it's diplomacy and trade policy.

Cannon: It's true that the contras...have not really had that many successes in the field. What you're witnessing, it seems to me, is the Democrats in trying to stop this \$40 million that they know they're not going to be able to stop, they are signaling that when the President comes back in the fall he's not going to be able to get any further contribution and I think that's right, I think this is the last appropriation.

Agronsky: Not just the Democrats. Bob Michel concedes right up front that that second round of aid to the contras is not going to be passed.

Talbott: If there's a bottom line in the congressional position it's not that the sentiment up there is to pull the plug on the contras altogether. What they are trying to do is put pressure on the Administration to build up the diplomatic component of the policy, the diplomatic carrot to go along with the contra stick....

Agronsky: The negotiation process proposed by the Costa Rican president.

Kilpatrick: The Democratic leadership is unwilling to do anything constructive to stop a communist take-over in Nicaragua.

Talbott: What's at issue here is what you can live with as a result of the policy. The Reagan Administration has taken the position, up until now, that it can't live with anything short of driving the Sandinistas right out of Managua back into the hills. And the Congress is saying that may simply be unfeasible. It's unfeasible because the contras aren't politically strong enough or militarily strong enough and we may have to settle for less.

#### On Sen. Nunn's Challenge to the Broad Interpretation of the ABM Treaty

Agronsky: Sen. Nunn denounced the Administration's interpretation of the ABM treaty as a "gross misinterpretation" and says that you cannot conduct SDI testing under it.

Talbott: The Administration is going to back down. They do not want a confrontation with the Congress, they don't want to get at odds with the single-most influential Senator on these issues, they don't want to touch off even more of a back-lash than they already have to put up with against their SDI program.

Rowan: This is where Howard Baker's going to be a big factor. Howard Baker, I'll wager you, is already working on a compromise so they don't have that confrontation.

Cannon: One of the most dramatic differences that has happened in this change-over at the White House...is that the new Chief of Staff, Sen. Baker, is trying to avoid these confrontations which he thinks not only the Reagan Administration can't win on but nobody can win on. And I would think that we're going to have this broad interpretation of the treaty, that the Administration wants, put on a back-burner for a while.

Agronsky: Does this mean we will not go forward with SDI testing?

Cannon: There's quite a bit of SDI testing that can be done within the strict interpretation of the treaty. And I think they are going to try to avoid doing something that is going to confront the Congress and encourage Congress to cut funds for SDI.

Talbott: The issue wasn't what would actually be permitted in the near term under SDI. Nothing is possible in the near term under SDI that would have brought the U.S. into violation of the treaty. The purpose of the people who promulgate it...was to kill the ABM treaty as a basis for a future agreement with the Soviet Union.

Kilpatrick: In my opinion, I would scrap the ABM treaty and get on with the national interest.

Agronsky: Would this in any way interfere with our going forward with our effort to follow up on the Russian-American negotiation to end medium-range nuclear missiles in Europe?

Cannon: If anything, this is going to encourage it. But it's on its own track; this is certainly not going to discourage that track from moving forward.

On the Pollard Case and U.S.-Israeli relations:

Talbott: I think the important thing is the Israeli government has belatedly realized that it does have a special relationship with the U.S. and therefore it's got to give special treatment to something as sensitive and controversial as this.

Cannon: The American Jewish community...has done what it rarely does -- its broken its silence and spoken out very forcefully on what the Pollard case has done and I think that's good because it means that the special relationship doesn't permit Israel to do anything.

Agronsky: I find it inconceivable...that Israel could have gained any kind of espionage from this country that would be useful enough so that it could justify it becoming known and result in the kind of dreadful corrosion of the U.S.-Israeli relationship that comes from it.

Cannon: It also corrodes relationships in this country. It feeds...anti-semitism of people who want to charge...that American Jews have a first loyalty to Israel.

Rowan: There was a certain kind of galling arrogance that the leaders of Israel were showing for a while and it's laudable that the leaders of the Jewish community said to them, "You cannot get away with this kind of arrogance and this kind of stupid pretending that this was some kind of rogue act." but I don't know how far they'll go in admitting the truth about what occurred, but I think it's good that they backed away from arrogance.





# News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, MARCH 16, 1987 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### IRAN-NICARAGUA

Weinberger, Shultz Applauded -- President Reagan, making peace with Secretary of Defense Weinberger and Secretary of State Shultz, said in his weekend radio broadcast they were right and he was wrong regarding the secret policy to sell arms to Iran. (Washington Times)

### INTERNATIONAL NEWS

U.S. And Canadians Optimistic On End To Trade Barriers -- After nearly a year of negotiations, the United States and Canada are starting to make progress toward a trade pact that would eliminate tariffs and non-tariff barriers between the world's two largest trading partners by the turn of the century. (New York Times)

### NATIONAL NEWS

Contra Aid, Highway Bill Top Congressional Agenda This Week -- The fight over spending on the contra rebels in Nicaragua moves to the Senate this week after a House rebuff to President Reagan, and progress is expected toward enactment of a long-delayed highway bill, possibly with an increase in the national speed limit. (USA Today, AP)

### NETWORK NEWS (Sunday Evening)

IRAN-CONTRA -- Aides say it is now highly likely that President Reagan will hold his first press conference in four months later this week.

POLLARD/U.S.-ISRAEL -- One of the key figures may be ready to challenge the official Israeli government story of non-involvement.

WEINBERGER -- Secretary Weinberger is in Spain for two days of talks on the American military presence in that country.

## Says it all

According to recent statistics, the fifth most-common reason for divorce in the Soviet Union is quarrels over standing in line.

But if Soviet citizens get out of line, they are arrested by the KGB.

You just can't win in a country like that.

The Billings Gazette

MAR. 6

## **IRAN — NICARAGUA**

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### **WEINBERGER, SHULTZ APPLAUDED**

President Reagan, making peace with Secretary of Defense Weinberger and Secretary Shultz, said in his weekend radio broadcast they were right and he was wrong regarding the secret policy to sell arms to Iran.

The admission is one step farther than Mr. Reagan previously has gone in taking blame for the decision to open dialogue with Iranian moderates and selling arms to Tehran to win release of American hostages held by pro-Iranian terrorists in Lebanon.

(Jeremiah O'Leary, Washington Times, A4)

### **IRAN ARMS DEALER USED BARBARA WALTERS TO SECRETLY PASS ON A MESSAGE TO REAGAN**

Arms merchant Manucher Ghorbanifar used television journalist Barbara Walters as a conduit to secretly pass on to President Reagan his views about U.S. arms to Iran and related matters.

Ms. Walters, a veteran correspondent for ABC television, interviewed Mr. Ghorbanifar and Saudi businessman Adnan Khashoggi last December, less than three weeks after the Iran-contra scandal erupted. After the interview, Ms. Walters prepared an internal memo outlining, among other things, Mr. Ghorbanifar's private statements, and sent it to the White House, according to Richard Wald, an ABC News senior vice president.

(Edward Pound & Andy Pasztor, Wall Street Journal, A52)

### **CONGRESS MAY BYPASS UNDERLINGS IN IRAN-CONTRA PROBE**

Congress is considering granting immunity to key figures in the Iran arms affair before its investigators have interviewed all the staff members who worked directly for former National Security Adviser John Poindexter.

"All I can say is that's not the classic way to go about it," said James Neal, who was associate special prosecutor in the Watergate case. "You want to interview all the people at the lower level you could...before you escalate on up," he said.

(William Welch, AP)

### **POINDEXTER TESTIMONY ANTICIPATED**

Congressional investigators expect to reach an agreement with the Iran-contra special prosecutor by midweek that could allow private testimony to be taken from Rear Adm. John Poindexter in 45 to 60 days, sources familiar with the probe said yesterday.

A deal being worked out between the two committees would allow private testimony to be taken from Adm. Poindexter in early to mid-May.

(Mark Matthews, Baltimore Sun, A1)

Poindexter Could Testify By Mid-May Through Compromise In Works, Report Says

Former National Security Adviser John Poindexter could testify privately by mid-May before congressional investigators looking into the Iran-contra affair through a compromise between two congressional panels and the independent counsel, the Baltimore Sun reported today.

The Sun reported that congressional investigators ought to have "a good handle" by mid-May on where money diverted from Iran arms sales went. (AP)

BUSH DENIES ADVISER LIED ON CONTRA ISSUE  
Gregg 'Forgot' Meeting Resupply Expert

Vice President Bush denied in an interview broadcast last night that his national security adviser, Donald Gregg, had lied when Gregg claimed that he never discussed the Nicaraguan contras with a key figure in the contra resupply operation.

Bush said that Gregg "forgot" about a meeting on the contras that he had held with Felix Rodriguez, who was participating in the resupply effort and had come to Gregg for help last August.

(David Hoffman, Washington Post, A3)

HOSTAGE'S SISTER DEFENDS REAGAN ON IRAN ARMS DEAL

The sister of kidnapped Associated Press correspondent Terry Anderson said yesterday that President Reagan is being "unjustly castigated" for his arms-for-hostages deal, characterizing it as a response to the public's demands.

"The mandate was to do whatever you have to do to get these men out of there," Peggy Say told reporters and parishoners at the First Baptist Church in Northwest Washington. "The initiative chosen was debatable, but he did do what the American public wanted," she said.

(Leah Latimer, Washington Post, A15)

Anderson's Relatives, AP Executives Mark Journalist's Two Years Of Captivity

VALLEY FORGE -- Friends, colleagues and relatives expressed hope for the release of Terry Anderson and frustration at the continued imprisonment of the American journalist snatched off a Beirut street two years ago today.

"Terry is where he is because he believed in the sacredness of what he was doing -- trying to tell the story of a suffering people, tell it to readers and listeners and viewers all over the world," Louis Boccardi, president and general manager of The Associated Press, said in a statement today. (Lee Linder, Ap)

### LEADERS OF GOP SEE LIGHT IN IRAN TUNNEL

Although the Iran-contra affair has cast a pall over Republican chances in 1988, party leaders are cautiously hopeful they have begun to turn the corner on the scandal.

Republican candidates and officials acknowledge that the Reagan Administration's arms-for-hostages deal has seriously damaged the GOP's political standing at the outset of the presidential election campaign, causing a falloff in party fund-raising and threatening to undo the political gains of the past six years.

Apprehension over the Iran affair continues to run deep in Republican circles, but party leaders are seizing on what they consider the first faint signs that the worst of the political damage may soon be behind them.

(Paul West, Baltimore Sun, A1)

### FORMER HIGH-LEVEL CIA SPY DENIES INVOLVEMENT IN IRAN-CONTRA ARMS CASE

Theodore Shackley, a retired spy who spent his life keeping secrets, is going public in his effort to distance himself from friends, former co-workers and one-time business partners caught up in the Iran-contra case.

"I have had nothing to do with the contras," said Shackley, once the No. 2 man in the CIA's clandestine service. He left the agency in 1979 under a cloud caused by his friendship with ex-CIA agent and convicted gun-runner Edwin Wilson.

(Joan Mower, AP)

## **INTERNATIONAL NEWS**

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### **U.S. AND CANADIANS OPTIMISTIC ON END TO TRADE BARRIERS**

**Officials Say Broad Outlines Of A Pact Are Emerging --  
Visit By Reagan Is Set**

After nearly a year of negotiations, the United States and Canada are starting to make progress toward a trade pact that would eliminate tariffs and non-tariff barriers between the world's two largest trading partners by the turn of the century.

Officials from both countries said the pace of the talks had accelerated to point where the broad outlines of an agreement were starting to emerge. "We have made considerably more progress than most people realize," said United States Trade Representative Clayton Yeutter.

(Clyde Farnsworth, New York Times, A1)

### **IMPATIENT GOP LAWMAKERS NEED REPORTS TO DEFEND SDI**

Senate Republicans are growing angry with the Pentagon for its tardiness in delivering two reports on the Strategic Defense Initiative, and they say the tardiness could endanger their efforts later this year to protect the program from budget cuts.

The delay "is signaling that the Administration has not decided collectively where it's going on the SDI program, what it's going to do with the ABM treaty, how that fits into Geneva (arms control negotiations)," one Hill staffer said.

(Warren Strobel, Washington Times, A3)

### **600-SHIP NAVY SAILING INTO ROUGH FISCAL SEAS**

A 600-ship U.S. Navy is almost here. It will include many of the newest and best ships and submarines in the world and will be staffed by the highest quality officers and sailors in peacetime history.

For President Reagan, who promised to buy such a fleet as part of his \$2 trillion rearmament program, that is the good news. The bad news is that the next president may well find this fleet too expensive to maintain, arm and staff, particularly because so many of the 600 ships are so old that they will have to be replaced or renovated at great cost.

(George Wilson, Washington Post, A1)

### **WEINBERGER INSISTS NSC HALT HIGH-TECH SALE TO IRAN**

Defense Secretary Weinberger is demanding that the National Security Council referee a bitter dispute between the Pentagon and the Commerce Department over licensing the sale of U.S. computers in Iran.

The Pentagon's opposition is so fierce that Mr. Weinberger wants President Reagan's NSC to rule on whether to proceed with the proposed transaction, Administration officials said.

(James Dorsey, Washington Times, A1)

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## WEINBERGER TO PRESS SPAIN TO KEEP F-16S AT PROTEST BASE

MADRID -- Defense Secretary Caspar Weinberger said he would press the Spanish government today to allow 72 American F-16 fighter jets to remain in the country for Atlantic alliance defense.

"From our point of view, they are a vital part of NATO's defenses. They are urgently needed," he told reporters who flew to Spain with him from Washington last night. (Charles Aldinger, Reuter)

## END SPLIT ON CONTRAS, ADMINISTRATION URGED Departing Official Cruz Says Bipartisan U.S. Policy, New Rebel Leadership Needed

Divisions within the Reagan Administration over how to handle the Nicaraguan contras must be overcome if the movement is to survive, according to departed contra leader Arturo Cruz.

Cruz, 63, who resigned last week as one of three directors of the United Nicaraguan Opposition, also said "UNO is dead" as a result of internal power struggles. He said UNO must be revamped with new leaders in "a last-ditch effort" and U.S. policy must become bipartisan before the contras will make any progress toward overthrowing the leftist Sandinista government of Nicaragua.

(Joanne Omang, Washington Post, A16)

## Contras Need Internal Reform To Survive, Cruz Declares

Nicaragua's anti-Marxist resistance is not dead, but it is "very ill" and needs internal reform as well as continued support from the United States to survive, according to former contra leader Arturo Cruz.

"It is essential to have a two-track approach" of military and diplomatic efforts to restore democracy in Nicaragua, said Mr. Cruz, who resigned from the three-man United Nicaraguan Opposition directorate earlier this month.

(Willis Witter, Washington Times, A8)

## DEM LEADER SEES GOP FILIBUSTER ON CONTRA AID Byrd: No 'High Hopes' To Stop \$40M

Senate action remains uncertain as a Friday deadline looms for Congress to block \$40 million for the contra rebels fighting in Nicaragua.

But Senate Majority Leader Robert Byrd is expecting Republicans to mount a filibuster. Byrd said the death of Sen. Zorinsky, D-Neb., and his replacement by Republican David Karnes adds a vote for contra aid.

(Fred Anklam, USA Today, A4)

## ISRAELIS SIGN LETTER OF SUPPORT FOR POLLARD

JERUSALEM -- Hundreds of Israelis have signed a letter of support for Jonathan Pollard, a former U.S. Navy analyst sentenced in Washington to life in prison for selling Israel classified military documents.

"We, the undersigned citizens of Israel, reject with disgust the way Israel treated you in your hour of sadness and need," said the letter, addressed to Pollard and his wife. (AP)

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### ISRAEL PAYING POLLARD'S LEGAL COSTS, STATE RADIO

TEL AVIV -- Israel is paying the legal bills of Jonathan Pollard, Israeli Radio said today.

Asked to comment on the report that followed mounting public pressure on the government to help Pollard, a Foreign Ministry spokesman in Jerusalem said, "We have nothing on that."

The radio, however, said that "state elements in Israel" indirectly sent James Hibey, a Washington lawyer for Pollard and his wife ANne, \$80,000 to cover the couple's legal fees, which it reported totalled \$120,000.  
(Jeffrey Heller, Reuter)

### PERES DECRIES U.S. SPY CASE 'MISTAKE'

JERUSALEM -- With two official probes of the Jonathan Pollard spy scandal under way, Foreign Minister Shimon Peres reiterated yesterday the operation against the United States was a mistake.

"I feel, to start with, there is nothing criminal to (want to) support Israel or sympathize with Israel, whether you are Jewish or non-Jewish," Mr. Peres told Israel state radio. "But as for spying on a friendly country, it is a mistake, and I distinguish between a feeling and a mistake. These are two completely different things."

(Washington Times, A6)

### U.S. TRIES TO HEAD OFF ANOTHER ENERGY CRISIS

The Reagan Administration is convinced that the U.S. is consuming its way into another energy crisis.

A Department of Energy report, to be released tomorrow, warns of a growing dependence by the United States and other Western nations on Persian Gulf oil, informed sources say. If the current trend continues, the report says, there will be heavy costs to the American economy.

(Donald Rheem, Christian Science Monitor, A1)

### IRAN/MISSILES

Iran has installed several large missiles near the Strait of Hormuz, increasing its threat to the flow of oil out of the Persian Gulf, the New York Times reports.

Installation of the missiles has allowed Iran to increase its threat to the flow of oil out of the Persian Gulf and could represent an escalation in Iran's war with neighboring Iraq, the newspaper said, quoting U.S. intelligence sources.  
(UPI)



## ***NATIONAL NEWS***

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### **GRAY FINDS BUDGET NO EASY DEAL, EVEN WITH DEMOCRATS IN POWER**

One might think that with Democrats now controlling both houses of Congress, it will be easier to pass a federal budget. Think again, says House Budget Committee Chairman William Gray.

Passing a workable 1988 budget promises to be harder than ever as Democrats are forced to consider raising taxes, loosening politically popular Gramm-Rudman deficit targets or cutting programs voters consider essential.  
(Gene Grabowski, Washington Times, A5)

### **CONTRA AID, HIGHWAY BILL TOP CONGRESSIONAL AGENDA THIS WEEK**

The fight over spending on the contra rebels in Nicaragua moves to the Senate this week after a House rebuff to President Reagan, and progress is expected toward enactment of a long-delayed highway bill, possibly with an increase in the national speed limit.

While the Iran-contra arms affair helped fuel a strong symbolic vote against continued aid to the contras in the House last week, Senate Democrats weren't sure they could do the same this week.

Although somewhat less controversial, a lot more money is at stake as Congress tries to wrap up work on a highway construction bill that would provide \$65 billion for road construction in the next five years and \$16.5 billion for mass transit.  
(AP)

### **55 vs. 65 Debate Nearing The Finish Line**

Debate over the USA's 55 mph speed limit reaches a crossroads Wednesday with a key vote in Congress. The House will vote on whether the speed limit -- in force since 1974 -- should be hiked to 65 in rural areas.

The Senate's already said yes; President Reagan's in favor as well.

(Fred Anklam, USA Today, A1)

### **GORE: CONGRESS MAY MOVE TO BAN SURROGATE MOTHERS**

The Vatican's ruling banning artificial means of conception is headed for "substantial" opposition in Congress, which may, however, move to ban surrogate motherhood, say lawmakers, legal experts and religious leaders.

"I think there are reasons for examining legislative initiatives that will help to steer technology toward a more humane outcome," Sen. Gore said. "I think the proposal for a ban on surrogate motherhood may receive some very serious consideration within the Congress and in state legislatures."  
(Henry Rosso, Reuter)

## CHALLENGES AND EXPECTATIONS

News conferences have always been an ordeal for Ronald Reagan, and they have become increasingly unbearable for him as their frequency has diminished in the twilight of his presidency.

The concern in the White House is that Americans may now see Reagan through different eyes and expect from him a higher level of accuracy on all matters and a more secure grasp of issues. The President's managers also believe that Americans are likely to remember Reagan's promise in his carefully scripted speech earlier this month that he had learned his lesson and would pay more attention to the inner workings of his government.

Reagan could match these words with deeds by showing at his news conference that he understands the complexities of the challenges facing his Administration. When he goes before the cameras this time, Americans may be watching to see if the President is capable of measuring up to hard questioning without a script in hand. (Lou Cannon, Washington Post, A2)

## THORNBURGH, BENNETT STEAL OVATIONS AT GOP'S RALLY WEEKEND IN N.H.

NASHUA -- Two leading Republicans who are not presidential candidates drew the most applause here at a GOP gathering billed as a "weekend with the next president."

The biggest surprise, according to a number of observers, was the performance by former Pennsylvania Gov. Richard Thornburgh, who substituted for Senate Minority Leader Robert Dole on a Saturday panel originally reserved for GOP presidential hopefuls.

(Ralph Hallow, Washington Times, A2)

## DEAVER/INDICTMENT

Saying he expects to be indicted this week on perjury charges by a federal grand jury, former White House deputy chief of staff and personal friend of the Reagans, Michael Deaver is striking back at his accusers. In an interview in this week's Newsweek magazine, Deaver said many of his congressional critics are guilty of using a double standard.

In an angry comment that won't make him many friends on Capitol Hill, Deaver denounced the "outrageousness of congressmen saying that I violated the public trust, when they go out and make all the money they want on speaking fees" paid for by special-interest groups.

(Chuck Conconi, Washington Post, B3)

## STUDY QUESTIONS ETHICS OFFICE RULING

A congressional study is questioning decisions of a government ethics office that allowed former White House officials to initiate business contacts with former colleagues in other Administration offices.

The General Accounting Office study, made public Sunday, said the office of government ethics ruled "without any substantiating explanation" to allow the contacts.

(Linda Werfelman, UPI)

## **NETWORK NEWS SUMMARY**

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(Sunday Evening, March 15, 1987)

(Note: CBS did not air broadcast)

### **IRAN-CONTRA**

ABC's Sam Donaldson: President Reagan continues to work to dig himself out of his Iranian arms sale scandal. And he's prepared to use a tactic he hasn't employed for four months: a news conference.

ABC's Kenneth Walker: President Reagan returned from Camp David to begin preparing for one of the more critical elements of his efforts to recover from the Iran-contra scandal -- a press conference tentatively set for Thursday.

(TV coverage: The President and the First Lady arriving from Camp David.)

That'll be four months to the day after the President's last press conference, a disastrous encounter which sent Mr. Reagan's standing in the polls into a nosedive and raised serious questions about his credibility over secret arms sales to Iran.

(The President, at his Nov. 19 press conference: "We weren't giving the ayatollah Khomeini the, it's a strange situation.")

That was the last time the President publicly took questions about the scandal, although he's tried to talk his way out of the crisis several times. The latest such effort, in yesterday's weekly radio address, was a defense of alleged "paciivity" to the arms sales by Secretary of State Shultz and Defense chief Weinberger.

(TV coverage: Still photo of the President giving address. Pictures of Secretaries Shultz and Weinberger appear below)

Mr. Reagan used the speech to go as far as he has in accepting blame.

(The President: "They were right and I was wrong.")

Right behind the President, Vice President Bush, campaigning over the weekend in New Hampshire, continues to be dogged by questions of his involvement in the scandal. The Miami Herald published a 1985 letter from Bush showing that at a time when Congress had barred all aid to the Nicaraguan contras the Vice President referred a request for help for a contra medical brigade to then national security aide Oliver North. A press conference, while continuing the drive to show Mr. Reagan's in command of the government, is not without risks. Explaining the four-month record of often contradictory statements won't be easy for the President who wants badly to put this crisis behind him so he can focus on the remaining goals of his Presidency: an arms control agreement with the Soviets and winning the budget deficit fight with Congress. (ABC-2)

NBC's Robin Lloyd: The President once again had nothing to say to reporters this afternoon, but aides say it is now highly likely that President Reagan will hold his first press conference in four months later this week.

(TV coverage: the President arriving with the First Lady from Camp David.)

Thursday is the target date. The President's advisors have been tentatively planning this press conference for three weeks. They believe the President did well in his prepared response to the Tower report, but they know he can no longer avoid facing reporters.

(TV coverage: The President delivering his Mar. 4 address)

As one aide put it, "It's the only way he can put a stop to the constant clamoring from the press."

(Reporter: "Will you take questions at a news conference soon?

The President: "We're talking about that.")

For the past week, the President has largely refused to answer reporters questions, reportedly on the advice of his new Chief of Staff Howard Baker. The President even pretended he had laryngitis.

(The President, whispering: "I've lost my voice.")

Reporters have grown increasingly frustrated.

(Helen Thomas: "He has to be accountable, he has to answer the questions, he has to show that he is in charge, he has to show that he has credibility. He's lost a lot, no question about it. He knows that more than anyone else.")

Democrats on Capitol Hill are also growing impatient.

(Sen. Gore: "More and more, people are saying, 'Well, when is he going to answer questions about this.' I think it's overdue.")

What concerns White House officials is that the President will stumble or make a mistake. After his last press conference, his aides had to put out an immediate correction on the way the President characterized Israel's role in the Iran affair. Former White House officials say what's at stake is whether the President can dispel criticism that he's not up to the job.

(David Gergen: "Well, I think that if he were to have a series of mistakes in this press conference that suggested that he was out of touch, not on top of the job, that of course would open a whole new series of questions about his presidency.")

Aides acknowledge they expect that most of the questions will center on what the President knew about the Iran-contra affair, and also what he knew about the entire secret White House operation to fund the contras. In the past two weeks the President has had several meetings with his special advisor on the Iran affair, David Abshire. Aides say preparations will continue through the week. Officials here say an absolutely final decision on the date has not been made yet. But as one White House official put it, "There's no avoiding a press conference. We might as well get it over with." (NBC-Lead)

NBC's Chris Wallace: One of the central questions in the arms scandal has been Vice President Bush's connection to the contra rebels. Today, the Miami Herald printed a 1985 letter in which Bush referred a contra supporter to former NSC official Oliver North.

NBC's Tom Pettit: George Bush was not talking today when he went out for a ride. Especially not about his role in recommending that a pro-contra physician from Guatemala get in touch with Oliver North. Bush's contra connections are a mystery not answered by the Tower commission. The Miami Herald said today Bush wrote the Dr. Castejon in 1985 answering him, suggesting he take his idea for shipping combat medical supplies to Lt. Col. North. Bush's chief of staff Craig Fuller said Bush's letter was appropriate and routine. "I am astonished that it is front-page news," Fuller said. Bush wrote the letter March 3, 1985, but all military aid to the contras was prohibited. His son, Jeff Bush, had forwarded to his father a letter in Spanish from Dr. Castejon. Bush's office said he declined to meet with Dr. Castejon in Washington to discuss medical supplies to contras. He suggested he could contact Oliver North directly or through Bush's staff. Fuller said there was no further contact with Dr. Castejon, but he does not know about North and Castejon -- does not know if North was sent a copy of the Vice President's letter. At the time, Bush was sure North would want to see the pro-contra doctor. The doctor said he not only saw North, but he met with President Ronald Reagan at the White House sometime in 1985. The White House said it knows of no such meeting. As it turns out, the doctor's plan to send medical supplies to the contras was apparently legal, but it fell through. Bush's contra sympathies come as no surprise, unless there are more damning letters about the Bush-contra connection. (NBC-2)

#### POLLARD/U.S.-ISRAELI RELATIONS

ABC's Sam Donaldson: With the Israeli investigative committees now looking into the circumstances of how convicted spy Jonathan Pollard came to work for Israel against the U.S., one of the key figures may be ready to challenge the official Israeli government story of non-involvement. Rafael Eitan has reportedly been telling friends that top officials of the Israeli government knew all about Pollard's activities.

ABC's Dean Reynolds: He is one of the Israelis who allegedly directed Jonathan Pollard's spying against the U.S., something the government here insists was an unauthorized rogue operation. But former intelligence agent Rafael Eitan, who's links to Pollard are being investigated by Washington, was quoted today as saying his government superiors knew all about the spy. Moreover, Eitan reportedly said he is not willing to be sacrificed to cover for the knowledge and responsibility of others. but after meeting today with the legislative committee, one of two panels now looking into the affair, Eitan said the substance of his quoted remarks was untrue. Getting to the truth is precisely what Israel should be doing, in the view of American Jewish leaders who have been arriving here to make just that point diplomatically....

Reynolds continues:

Israelis are responding to appeals for donations to cover Pollard's \$200,000 legal bill. And with moral support, because the government here has done nothing to assist the man who sold U.S. secrets to Israel, the average citizen has stepped in. Private support for Jonathan Pollard may be growing, but so too is public skepticism about the extent of Israeli involvement in this affair. Because the government here only belatedly agreed to investigate the matter, there is now keen interest in what that investigation will turn up.

(ABC-Lead, NBC-7)

WEINBERGER

Wallace reports Defense Secretary Weinberger is in Spain for two days of talks on the American military presence in that country. Just hours before Weinberger arrived, police battled anti-American protesters outside a U.S. Air Force base. Tens of thousands of demonstrators marched fourteen miles from Madrid to the base. They demanded American forces get out of their country.

(NBC-5)

HOSTAGES IN LEBANON

Donaldson reports the families of hostages still being held there is a heavy and continuing emotional cost. The families and friends of Associated Press reporter Terry Anderson, seized in Lebanon two years ago tomorrow, made that point this Sunday.

ABC's Karen Stone reports on the plight of families whose loved ones remain in captivity in Lebanon.... During a news conference, Peggy Say [sister of Terry Anderson] says that she does not advocate trading arms for hostages, but she thinks President Reagan is being unjustly castigated for responding to public pressure.

(Peggy Say: "The very fact that an initiative was chosen indicates that President Reagan did try to do what all of us had told him to do. And I think he at least deserves credit for that.")

State Department officials, noting the second anniversary of Anderson's captivity, renewed their call for the release of all hostages, but beyond that there is no indication the anguishing wait for the hostages and their families will end anytime soon. (ABC-3)

Donaldson reports a pro-Iranian terrorist group in Lebanon said today it will execute one of its French hostages tomorrow. The Revolutionary Justice Organization said a French television technician would be executed because France had not clarified statements about selling weapons to Iraq.

(ABC-4)

## **ABC -- THIS WEEK WITH DAVID BRINKLEY**

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

Guests: Rev. Bartholomew Kiely, professor, Vatican's Georgian University; Rt. Rev. Daniel Pilarczyk, Archbishop of Cincinnati; Richard Viguerie; Susan Wolfe, medical ethicist.

Subject: The Vatican's decisions this week regarding birth and conception.

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FREE-FOR-ALL DISCUSSION -- Tom Wicker joins panel.

The Pollard case and U.S.-Israeli relations:

Will: It was outrageous to begin with, both in terms of the quantity of the material he absconded with and the sensitivity of it. But there's an aspect of the aftermath that is particularly disturbing. There is coming from some quarters in Israel...the suggestion that what the Pollards did was what any public-spirited, healthy, ethical Jew would do. That is favor Israel first. Now this exacerbates a terrible long-standing sensitivity in the U.S. about the charge, and it's baseless, it's a canard, but it's there that Jewish Americans, by being loyal to Israel, somehow have a double loyalty that makes them less valid as American citizens and that's the real poison in this case.

Donaldson: But in the case of Pollard, the prosecutors at least allege, that was his attitude. Israel right or wrong, Israel first.... So if that is correct then he himself lived the kind of life that gives currency to that kind of charge. But what the Israeli government did here, I think, is very clear. This wasn't a rogue operation. Col. Sella, since promoted..., after he was indicted...the Israeli government by that act clearly said: "Whether we were in on it or not we approve of it." And that's contemptuous of the whole relationship and somehow the Israeli government has to be persuaded it must not do that or else the relationship is going to deteriorate badly.

Wicker: I don't think it's just the relationship between Israel and the U.S. that has suffered here. In fact, in many ways those two countries have ...made themselves so dependent on each other that they can overcome that sort of thing. It seems to me the attitude of the Israeli government in the promotions and in more or less washing their hands of this affair is saying they really have no responsibility for it. It seems to me ultimately that damages Israel in two ways. One, it already has enough difficulty in the world, the way people look at Israel...that certainly doesn't, in my judgement, help them improve their position in that sense. And the other way, it seems to me as a non-Jew in looking at Israel from this country, it seems to me that I've seen a progression in that country's policy over a number of years now away from the things that one once admired about Israel towards a reliance upon sheer strength and sheer assertion of interest and a movement away from what one hoped for, perhaps unrealistically, a sort of a moral position by Israel. I think that's very damaging for Israel.

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## ***CBS -- FACE THE NATION***

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Moderator: Lesley Stahl.

Guests: Roger Smith, Chairman and CEO of General Motors; David Halberstam, author of The Reckoning; Maryann Keller, vice president of Furman, Selz.

Subject: The state of the U.S. auto industry.

Stahl: General Motors' profits fell 28% last year. We spoke earlier with Roger Smith and asked him if the giant corporation is in trouble.

Smith: No, no more than you can say any American company is in trouble.... We need a little help from our government to make us world-class competitive by getting some of the really obnoxious regulations out that make it very costly to us....

Stahl: ...What would you like to see in a trade bill? Would you like to see stiff sanctions and quotas and that kind of thing...?

Smith: No, it's going to take more than legislation to get out of the trade problems we have. We can't legislate our way out. And that's my biggest worry about the trade bill.... We need to see the dollar come down a little. It's still over-valued....

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## ***NBC -- MEET THE PRESS***

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Moderator: Marvin Kalb.

Panel: Ken Bodie of NBC and Cokie Roberts of National Public Radio.

Guests: Bishop James Malone, immediate past president of the National Conference of Catholic Bishops; Father Richard McCormick, professor of Christian Ethics at Notre Dame University; Sen. Albert Gore, vice chairman of the Congressional Biomedical Ethics Board.

Subject: The Vatican's decisions this week on birth and conception.

Roberts: Sen. Gore, you have had hearings on the whole question of test tube babies, and have looked at all the biomedical questions. Do you see a role for government here as you look at this document...?

Gore: Actually I think there is a need for legislation, but I don't think we should be forced to choose between a completely laissez-faire approach on the one hand or an outright and total ban on the other extreme....

As an example, I think that the proposal for a ban on surrogate motherhood may receive some very serious consideration in the Congress and in state legislatures, but if a majority felt that went too far then there might well be discussion of a legislative proposal that would disallow the enforcement of such contracts unless and until the surrogate mother had an opportunity to change her mind during a period following the birth experience....

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## ***THE McLAUGHLIN GROUP***

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Moderator: John McLaughlin.

Panel: Morton Kondracke, Fred Barnes, Robert Novak, Jack Germond.

On Contra aid:

Barnes: Things really could be worse for the contras and they may be next week when the Senate votes on this aid, but they aren't dead yet because these votes now aren't on the contras, per say, but on Reagan and on the Iran scandal. Come next fall, then the House and the Senate will vote on whether to abandon the contras when there are twelve or fifteen thousand of them in the field in Nicaragua, that's going to be a lot harder and the Reagan Administration only needs to turn around less than twenty votes and it's still possible they can do it.

Novak: The shame is that we are on the verge once more of betraying a peasant army that we have put into being. I hope...it is hard for those people on the Hill to betray the people they have sent into combat, but I think they can do it.

Germond: I don't think you ought to read too much into that House vote. And the reason for that is they knew they were casting a vote that would not in fact cut off the \$40 million. ...I think probably a substantial number of those people voted that way because it was a free vote for them and they wouldn't vote that way if you really got down to it. I don't think we're going to have a real answer on this thing until the fall....

Kondracke: ...The President can veto a cut-off of this \$40 million, which he would do in a minute, but this is a very bad sign. It is a lot of people pledging themselves against contra aid for the next vote that comes up in the fall. It is recoverable, there are seventeen votes that have to be switched. Tom Foley...says that the seventeen votes could be switched if the Administration makes a good faith effort to negotiate this thing out. Now it seems to me that the Arias plan...is the correct vehicle, properly moderated.

Barnes: There's only one way you can get what the Arias plan is after and that's...democracy in Nicaragua. There's no way to create that except through the contras, through the pressure of the contra insurgency, either they win or they force the Sandinistas to negotiate.

McLaughlin: The question Ronald Reagan has to face is: Is he going to give up the fight for the \$105 million that he wants down the line or is going to stay with it? Is he going to take the message from Bob Michel and other Republicans and move into the transition or is he going to fight it out?

Barnes: He's going to fight it out. Bob Michel does not reflect the thinking of a majority of Republicans in the House.

Novak: I think the President -- he is still Reagan -- and he is not going to reflect John McLaughlin and Bob Michel.

Germond: I think it depends on whether he gets caught with his own fingerprints on the diversion of the money from the Iran arms sales. If he does, the \$105 million is dead.

Kondracke: Of course he's going to fight for it and so will Frank Carlucci and Frank Carlucci is going to shift the balance finally from the CIA to the favor of the politicians who want to negotiate.

McLaughlin: What's going happen is that they're all going to get on board the Arias plan. They're going to tie about \$30 million, not \$105, to humanitarian aid and it may actually survive.

On the Pollard case and U.S.-Israeli relations:

Kondracke: The Israelis have had in the U.S. a compliant milk cow forever. They get weapons, they get intelligence advice, they get protection, they get political support from the U.S. Now they've decided to try to eat the cow.... I think this is disgraceful on their part and an end's got to be put to it...by the Congress of the U.S., in the form of a sharp slap on the wrist and cut in aid next time, in order to inform them that this can't continue.

Germond: The most striking thing about this story over the last two weeks is the absolute silence from Capitol Hill. They're so craven, you call them up and say, "Anyone going to do anything about foreign aid?" Let's talk about background -- nobody wants to be quoted....

Novak: Those people on the Hill, the same people who are selling out the contras, are so afraid, so terrified, that anything they might do might hurt their financing, might hurt their campaigns, I guarantee you this is not going to make an iota of difference in U.S.-Israeli relations. They can do anything, they can eat the milk cow and spit it out! And it still will not do anything.

Barnes: This is seriously going to hurt Israeli-American relations because the Israelis have done, among other things, they've been politically stupid and insulting. They thought that with this particular scandal environment in the U.S. that they could stone-wall investigators and they can't get away with it.

On Maureen Reagan:

Barnes: She may be hare-brained, but there's a big difference between Maureen and Nancy Reagan. Maureen Reagan has been elected to something.

Novak: Maureen is being attacked terribly because this position that they should be court-martialed is actually a moderation of her previous position. She had a private luncheon with the staffers at the Republican National Committee and she said that North and Poindexter should be taken out and shot and so this court-martial is really a moderation. I think when the President's daughter, out of nepotism, is forced on the Republican National Committee, that's nonsense.

Germond: This whole thing is nothing, the minute her father leaves office she's gone.

Barnes: That's two more years, Jack, she's going to be in there.

McLaughlin: Was she put up to this? Is the strategy perhaps, we trash Poindexter and North, we destroy their credibility because everybody in Washington knows that these two guys are going to go up there and say that they told the President a couple of times about the diversion of funds. We kill their credibility now and that helps the President get off the hook.

Barnes: Maureen Reagan is not part of any presidential strategy or any White House strategy whatever. She horned her way into this press conference to say something that was on her own mind and I must say I'm glad she's not my lawyer.

#### PREDICTIONS:

Barnes: The White House has decided on a theme for the Economic Summit in June to show the Europeans how dependent they are on American leadership. The theme is the fortieth anniversary of the Marshall Plan.

Novak: Sen. Bumpers within five days will announce his presidential campaign. Guess who is reconsidering and may enter? Pat Buchanan, if the Kemp camp doesn't get moving.

Germond: If the Administration gets into a crunch on contra aid later in the year, they'll throw Elliott Abrams over the side to get it.

McLaughlin: It will soon be made evident that the Soviet Union is a de facto member of OPEC, which means that pricing will be affected as well as production and exports. Watch that one.

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## **AGRONSKY & COMPANY**

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Moderator: Martin Agronsky.

Panel: James J. Kilpatrick, Lou Cannon, Strobe Talbott, Carl Rowan.

### **Contra Aid**

Rowan: It was always a policy heading no place better than to sending U.S. troops into Nicaragua. Let's hope the Iran-contra scandal and disarray in the contra's movement leads the Administration to something else.

Kilpatrick: I'm afraid it may be the end of the President's policy and I'm sorry it's going in that direction. One of these days the liberal Democrats who voted this down will be regretting it keenly.

Cannon: The beginning of the end probably came the day that Attorney General Meese appeared in the briefing room and announced proceeds from the Iran arms sales appeared to have been diverted to the contras. The fact is that whether you support this policy or oppose it, it has always been an unpopular policy in this country. It was unpopular when the President was at seventy percent in the polls and it's more unpopular now.

Talbott: What it is the beginning of is the great who lost Nicaragua debate of 1987 and 1988.

Agronsky: Why when everyone accepts that neither House of Congress wants to give aid to the contras and certainly not approve aid to the contras in the next effort at an appropriation. Why is it that everyone accepts that this \$40 million that is now under consideration has to go forward and be given to the contras?

Rowan: While a majority will not want that \$40 million to go forward, there are enough members in both Houses who believe there's a risk of another Cuba, there's the risk of a Soviet military base there and they don't want to face the heat so they say, "We'll vote to let the money go forward or at least we will vote to sustain the President's veto."

Talbott: The risk is more immediate and political and domestic. The risk is that the Republicans in the Administration will be able to accuse them of setting up a condition in which Nicaragua....

Kilpatrick: When Nicaragua falls, when Nicaragua gets to be a Soviet puppet state, you guys are going to regret it.

Rowan: The trouble in Central America and Latin America is not the danger of Soviet military base. You know where they're licking our pants off right now? In the field of diplomacy and trade. When I was in the State Department only three countries down there would even have diplomatic relations with the Soviet Union. Now they are in sixteen countries, they've got a diplomatic base in every important country in Central and South America and they are down there telling the people that we're killing them with high interest rates and so forth. So it's not Soviet arms that I worry about, it's diplomacy and trade policy.

Cannon: It's true that the contras...have not really had that many successes in the field. What you're witnessing, it seems to me, is the Democrats in trying to stop this \$40 million that they know they're not going to be able to stop, they are signaling that when the President comes back in the fall he's not going to be able to get any further contribution and I think that's right, I think this is the last appropriation.

Agronsky: Not just the Democrats. Bob Michel concedes right up front that that second round of aid to the contras is not going to be passed.

Talbott: If there's a bottom line in the congressional position it's not that the sentiment up there is to pull the plug on the contras altogether. what they are trying to do is put pressure on the Administration to build up the diplomatic component of the policy, the diplomatic carrot to go along with the contra stick....

Agronsky: The negotiation process proposed by the Costa Rican president.

Kilpatrick: The Democratic leadership is unwilling to do anything constructive to stop a communist take-over in Nicaragua.

Talbott: What's at issue here is what you can live with as a result of the policy. The Reagan Administration has taken the position, up until now, that it can't live with anything short of driving the Sandinistas right out of Managua back into the hills. And the Congress is saying that may simply be unfeasible. It's unfeasible because the contras aren't politically strong enough or militarily strong enough and we may have to settle for less.

#### On Sen. Nunn's Challenge to the Broad Interpretation of the ABM Treaty

Agronsky: Sen. Nunn denounced the Administration's interpretation of the ABM treaty as a "gross misinterpretation" and says that you cannot conduct SDI testing under it.

Talbott: The Administration is going to back down. They do not want a confrontation with the Congress, they don't want to get at odds with the single-most influential Senator on these issues, they don't want to touch off even more of a back-lash than they already have to put up with against their SDI program.

Rowan: This is where Howard Baker's going to be a big factor. Howard Baker, I'll wager you, is already working on a compromise so they don't have that confrontation.

Cannon: One of the most dramatic differences that has happened in this change-over at the White House...is that the new Chief of Staff, Sen. Baker, is trying to avoid these confrontations which he thinks not only the Reagan Administration can't win on but nobody can win on. And I would think that we're going to have this broad interpretation of the treaty, that the Administration wants, put on a back-burner for a while.

Agronsky: Does this mean we will not go forward with SDI testing?

Cannon: There's quite a bit of SDI testing that can be done within the strict interpretation of the treaty. And I think they are going to try to avoid doing something that is going to confront the Congress and encourage Congress to cut funds for SDI.

Talbott: The issue wasn't what would actually be permitted in the near term under SDI. Nothing is possible in the near term under SDI that would have brought the U.S. into violation of the treaty. The purpose of the people who promulgate it...was to kill the ABM treaty as a basis for a future agreement with the Soviet Union.

Kilpatrick: In my opinion, I would scrap the ABM treaty and get on with the national interest.

Agronsky: Would this in any way interfere with our going forward with our effort to follow up on the Russian-American negotiation to end medium-range nuclear missiles in Europe?

Cannon: If anything, this is going to encourage it. But it's on its own track; this is certainly not going to discourage that track from moving forward.

On the Pollard Case and U.S.-Israeli relations:

Talbott: I think the important thing is the Israeli government has belatedly realized that it does have a special relationship with the U.S. and therefore it's got to give special treatment to something as sensitive and controversial as this.

Cannon: The American Jewish community...has done what it rarely does -- its broken its silence and spoken out very forcefully on what the Pollard case has done and I think that's good because it means that the special relationship doesn't permit Israel to do anything.

Agronsky: I find it inconceivable...that Israel could have gained any kind of espionage from this country that would be useful enough so that it could justify it becoming known and result in the kind of dreadful corrosion of the U.S.-Israeli relationship that comes from it.

Cannon: It also corrodes relationships in this country. It feeds...anti-semitism of people who want to charge...that American Jews have a first loyalty to Israel.

Rowan: There was a certain kind of galling arrogance that the leaders of Israel were showing for a while and it's laudable that the leaders of the Jewish community said to them, "You cannot get away with this kind of arrogance and this kind of stupid pretending that this was some kind of rogue act." but I don't know how far they'll go in admitting the truth about what occurred, but I think it's good that they backed away from arrogance.





# News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, MARCH 16, 1987 -- 6 a.m. EST EDITION

## TODAY'S HEADLINES

### IRAN-NICARAGUA

Weinberger, Shultz Applauded -- President Reagan, making peace with Secretary of Defense Weinberger and Secretary of State Shultz, said in his weekend radio broadcast they were right and he was wrong regarding the secret policy to sell arms to Iran. (Washington Times)

### INTERNATIONAL NEWS

U.S. And Canadians Optimistic On End To Trade Barriers -- After nearly a year of negotiations, the United States and Canada are starting to make progress toward a trade pact that would eliminate tariffs and non-tariff barriers between the world's two largest trading partners by the turn of the century. (New York Times)

### NATIONAL NEWS

Contra Aid, Highway Bill Top Congressional Agenda This Week -- The fight over spending on the contra rebels in Nicaragua moves to the Senate this week after a House rebuff to President Reagan, and progress is expected toward enactment of a long-delayed highway bill, possibly with an increase in the national speed limit. (USA Today, AP)

### NETWORK NEWS (Sunday Evening)

**IRAN-CONTRA** -- Aides say it is now highly likely that President Reagan will hold his first press conference in four months later this week.

**POLLARD/U.S.-ISRAEL** -- One of the key figures may be ready to challenge the official Israeli government story of non-involvement.

**WEINBERGER** -- Secretary Weinberger is in Spain for two days of talks on the American military presence in that country.

## Says it all

According to recent statistics, the fifth most-common reason for divorce in the Soviet Union is quarrels over standing in line.

But if Soviet citizens get out of line, they are arrested by the KGB.

You just can't win in a country like that.

The Billings Gazette

MAR. 6

## **IRAN — NICARAGUA**

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### **WEINBERGER, SHULTZ APPLAUDED**

President Reagan, making peace with Secretary of Defense Weinberger and Secretary Shultz, said in his weekend radio broadcast they were right and he was wrong regarding the secret policy to sell arms to Iran.

The admission is one step farther than Mr. Reagan previously has gone in taking blame for the decision to open dialogue with Iranian moderates and selling arms to Tehran to win release of American hostages held by pro-Iranian terrorists in Lebanon.

(Jeremiah O'Leary, Washington Times, A4)

### **IRAN ARMS DEALER USED BARBARA WALTERS TO SECRETLY PASS ON A MESSAGE TO REAGAN**

Arms merchant Manucher Ghorbanifar used television journalist Barbara Walters as a conduit to secretly pass on to President Reagan his views about U.S. arms to Iran and related matters.

Ms. Walters, a veteran correspondent for ABC television, interviewed Mr. Ghorbanifar and Saudi businessman Adnan Khashoggi last December, less than three weeks after the Iran-contra scandal erupted. After the interview, Ms. Walters prepared an internal memo outlining, among other things, Mr. Ghorbanifar's private statements, and sent it to the White House, according to Richard Wald, an ABC News senior vice president.

(Edward Pound & Andy Pasztor, Wall Street Journal, A52)

### **CONGRESS MAY BYPASS UNDERLINGS IN IRAN-CONTRA PROBE**

Congress is considering granting immunity to key figures in the Iran arms affair before its investigators have interviewed all the staff members who worked directly for former National Security Adviser John Poindexter.

"All I can say is that's not the classic way to go about it," said James Neal, who was associate special prosecutor in the Watergate case. "You want to interview all the people at the lower level you could...before you escalate on up," he said.

(William Welch, AP)

### **POINDEXTER TESTIMONY ANTICIPATED**

Congressional investigators expect to reach an agreement with the Iran-contra special prosecutor by midweek that could allow private testimony to be taken from Rear Adm. John Poindexter in 45 to 60 days, sources familiar with the probe said yesterday.

A deal being worked out between the two committees would allow private testimony to be taken from Adm. Poindexter in early to mid-May.

(Mark Matthews, Baltimore Sun, A1)

Poindexter Could Testify By Mid-May Through Compromise In Works, Report Says

Former National Security Adviser John Poindexter could testify privately by mid-May before congressional investigators looking into the Iran-contra affair through a compromise between two congressional panels and the independent counsel, the Baltimore Sun reported today.

The Sun reported that congressional investigators ought to have "a good handle" by mid-May on where money diverted from Iran arms sales went. (AP)

**BUSH DENIES ADVISER LIED ON CONTRA ISSUE**  
**Gregg 'Forgot' Meeting Resupply Expert**

Vice President Bush denied in an interview broadcast last night that his national security adviser, Donald Gregg, had lied when Gregg claimed that he never discussed the Nicaraguan contras with a key figure in the contra resupply operation.

Bush said that Gregg "forgot" about a meeting on the contras that he had held with Felix Rodriguez, who was participating in the resupply effort and had come to Gregg for help last August.

(David Hoffman, Washington Post, A3)

**HOSTAGE'S SISTER DEFENDS REAGAN ON IRAN ARMS DEAL**

The sister of kidnapped Associated Press correspondent Terry Anderson said yesterday that President Reagan is being "unjustly castigated" for his arms-for-hostages deal, characterizing it as a response to the public's demands.

"The mandate was to do whatever you have to do to get these men out of there," Peggy Say told reporters and parishoners at the First Baptist Church in Northwest Washington. "The initiative chosen was debatable, but he did do what the American public wanted," she said.

(Leah Latimer, Washington Post, A15)

Anderson's Relatives, AP Executives Mark Journalist's Two Years Of Captivity

VALLEY FORGE -- Friends, colleagues and relatives expressed hope for the release of Terry Anderson and frustration at the continued imprisonment of the American journalist snatched off a Beirut street two years ago today.

"Terry is where he is because he believed in the sacredness of what he was doing -- trying to tell the story of a suffering people, tell it to readers and listeners and viewers all over the world," Louis Boccardi, president and general manager of The Associated Press, said in a statement today. (Lee Linder, Ap)

### LEADERS OF GOP SEE LIGHT IN IRAN TUNNEL

Although the Iran-contra affair has cast a pall over Republican chances in 1988, party leaders are cautiously hopeful they have begun to turn the corner on the scandal.

Republican candidates and officials acknowledge that the Reagan Administration's arms-for-hostages deal has seriously damaged the GOP's political standing at the outset of the presidential election campaign, causing a falloff in party fund-raising and threatening to undo the political gains of the past six years.

Apprehension over the Iran affair continues to run deep in Republican circles, but party leaders are seizing on what they consider the first faint signs that the worst of the political damage may soon be behind them.

(Paul West, Baltimore Sun, A1)

### FORMER HIGH-LEVEL CIA SPY DENIES INVOLVEMENT IN IRAN-CONTRA ARMS CASE

Theodore Shackley, a retired spy who spent his life keeping secrets, is going public in his effort to distance himself from friends, former co-workers and one-time business partners caught up in the Iran-contra case.

"I have had nothing to do with the contras," said Shackley, once the No. 2 man in the CIA's clandestine service. He left the agency in 1979 under a cloud caused by his friendship with ex-CIA agent and convicted gun-runner Edwin Wilson.

(Joan Mower, AP)

## **INTERNATIONAL NEWS**

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### **U.S. AND CANADIANS OPTIMISTIC ON END TO TRADE BARRIERS**

**Officials Say Broad Outlines Of A Pact Are Emerging --  
Visit By Reagan Is Set**

After nearly a year of negotiations, the United States and Canada are starting to make progress toward a trade pact that would eliminate tariffs and non-tariff barriers between the world's two largest trading partners by the turn of the century.

Officials from both countries said the pace of the talks had accelerated to point where the broad outlines of an agreement were starting to emerge. "We have made considerably more progress than most people realize," said United States Trade Representative Clayton Yeutter.

(Clyde Farnsworth, New York Times, A1)

### **IMPATIENT GOP LAWMAKERS NEED REPORTS TO DEFEND SDI**

Senate Republicans are growing angry with the Pentagon for its tardiness in delivering two reports on the Strategic Defense Initiative, and they say the tardiness could endanger their efforts later this year to protect the program from budget cuts.

The delay "is signaling that the Administration has not decided collectively where it's going on the SDI program, what it's going to do with the ABM treaty, how that fits into Geneva (arms control negotiations)," one Hill staffer said.

(Warren Strobel, Washington Times, A3)

### **600-SHIP NAVY SAILING INTO ROUGH FISCAL SEAS**

A 600-ship U.S. Navy is almost here. It will include many of the newest and best ships and submarines in the world and will be staffed by the highest quality officers and sailors in peacetime history.

For President Reagan, who promised to buy such a fleet as part of his \$2 trillion rearmament program, that is the good news. The bad news is that the next president may well find this fleet too expensive to maintain, arm and staff, particularly because so many of the 600 ships are so old that they will have to be replaced or renovated at great cost.

(George Wilson, Washington Post, A1)

### **WEINBERGER INSISTS NSC HALT HIGH-TECH SALE TO IRAN**

Defense Secretary Weinberger is demanding that the National Security Council referee a bitter dispute between the Pentagon and the Commerce Department over licensing the sale of U.S. computers in Iran.

The Pentagon's opposition is so fierce that Mr. Weinberger wants President Reagan's NSC to rule on whether to proceed with the proposed transaction, Administration officials said.

(James Dorsey, Washington Times, A1)

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## WEINBERGER TO PRESS SPAIN TO KEEP F-16S AT PROTEST BASE

MADRID -- Defense Secretary Caspar Weinberger said he would press the Spanish government today to allow 72 American F-16 fighter jets to remain in the country for Atlantic alliance defense.

"From our point of view, they are a vital part of NATO's defenses. They are urgently needed," he told reporters who flew to Spain with him from Washington last night. (Charles Aldinger, Reuter)

## END SPLIT ON CONTRAS, ADMINISTRATION URGED Departing Official Cruz Says Bipartisan U.S. Policy, New Rebel Leadership Needed

Divisions within the Reagan Administration over how to handle the Nicaraguan contras must be overcome if the movement is to survive, according to departed contra leader Arturo Cruz.

Cruz, 63, who resigned last week as one of three directors of the United Nicaraguan Opposition, also said "UNO is dead" as a result of internal power struggles. He said UNO must be revamped with new leaders in "a last-ditch effort" and U.S. policy must become bipartisan before the contras will make any progress toward overthrowing the leftist Sandinista government of Nicaragua.

(Joanne Omang, Washington Post, A16)

## Contras Need Internal Reform To Survive, Cruz Declares

Nicaragua's anti-Marxist resistance is not dead, but it is "very ill" and needs internal reform as well as continued support from the United States to survive, according to former contra leader Arturo Cruz.

"It is essential to have a two-track approach" of military and diplomatic efforts to restore democracy in Nicaragua, said Mr. Cruz, who resigned from the three-man United Nicaraguan Opposition directorate earlier this month. (Willis Witter, Washington Times, A8)

## DEM LEADER SEES GOP FILIBUSTER ON CONTRA AID Byrd: No 'High Hopes' To Stop \$40M

Senate action remains uncertain as a Friday deadline looms for Congress to block \$40 million for the contra rebels fighting in Nicaragua.

But Senate Majority Leader Robert Byrd is expecting Republicans to mount a filibuster. Byrd said the death of Sen. Zorinsky, D-Neb., and his replacement by Republican David Karnes adds a vote for contra aid.

(Fred Anklam, USA Today, A4)

## ISRAELIS SIGN LETTER OF SUPPORT FOR POLLARD

JERUSALEM -- Hundreds of Israelis have signed a letter of support for Jonathan Pollard, a former U.S. Navy analyst sentenced in Washington to life in prison for selling Israel classified military documents.

"We, the undersigned citizens of Israel, reject with disgust the way Israel treated you in your hour of sadness and need," said the letter, addressed to Pollard and his wife. (AP)

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### ISRAEL PAYING POLLARD'S LEGAL COSTS, STATE RADIO

TEL AVIV -- Israel is paying the legal bills of Jonathan Pollard, Israeli Radio said today.

Asked to comment on the report that followed mounting public pressure on the government to help Pollard, a Foreign Ministry spokesman in Jerusalem said, "We have nothing on that."

The radio, however, said that "state elements in Israel" indirectly sent James Hibey, a Washington lawyer for Pollard and his wife ANne, \$80,000 to cover the couple's legal fees, which it reported totalled \$120,000.  
(Jeffrey Heller, Reuter)

### PERES DECRIES U.S. SPY CASE 'MISTAKE'

JERUSALEM -- With two official probes of the Jonathan Pollard spy scandal under way, Foreign Minister Shimon Peres reiterated yesterday the operation against the United States was a mistake.

"I feel, to start with, there is nothing criminal to (want to) support Israel or sympathize with Israel, whether you are Jewish or non-Jewish," Mr. Peres told Israel state radio. "But as for spying on a friendly country, it is a mistake, and I distinguish between a feeling and a mistake. These are two completely different things."

(Washington Times, A6)

### U.S. TRIES TO HEAD OFF ANOTHER ENERGY CRISIS

The Reagan Administration is convinced that the U.S. is consuming its way into another energy crisis.

A Department of Energy report, to be released tomorrow, warns of a growing dependence by the United States and other Western nations on Persian Gulf oil, informed sources say. If the current trend continues, the report says, there will be heavy costs to the American economy.

(Donald Rheem, Christian Science Monitor, A1)

### IRAN/MISSILES

Iran has installed several large missiles near the Strait of Hormuz, increasing its threat to the flow of oil out of the Persian Gulf, the New York Times reports.

Installation of the missiles has allowed Iran to increase its threat to the flow of oil out of the Persian Gulf and could represent an escalation in Iran's war with neighboring Iraq, the newspaper said, quoting U.S. intelligence sources.  
(UPI)



## **NATIONAL NEWS**

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### **GRAY FINDS BUDGET NO EASY DEAL, EVEN WITH DEMOCRATS IN POWER**

One might think that with Democrats now controlling both houses of Congress, it will be easier to pass a federal budget. Think again, says House Budget Committee Chairman William Gray.

Passing a workable 1988 budget promises to be harder than ever as Democrats are forced to consider raising taxes, loosening politically popular Gramm-Rudman deficit targets or cutting programs voters consider essential.  
(Gene Grabowski, Washington Times, A5)

### **CONTRA AID, HIGHWAY BILL TOP CONGRESSIONAL AGENDA THIS WEEK**

The fight over spending on the contra rebels in Nicaragua moves to the Senate this week after a House rebuff to President Reagan, and progress is expected toward enactment of a long-delayed highway bill, possibly with an increase in the national speed limit.

While the Iran-contra arms affair helped fuel a strong symbolic vote against continued aid to the contras in the House last week, Senate Democrats weren't sure they could do the same this week.

Although somewhat less controversial, a lot more money is at stake as Congress tries to wrap up work on a highway construction bill that would provide \$65 billion for road construction in the next five years and \$16.5 billion for mass transit.  
(AP)

### **55 vs. 65 Debate Nearing The Finish Line**

Debate over the USA's 55 mph speed limit reaches a crossroads Wednesday with a key vote in Congress. The House will vote on whether the speed limit -- in force since 1974 -- should be hiked to 65 in rural areas.

The Senate's already said yes; President Reagan's in favor as well.  
(Fred Anklam, USA Today, A1)

### **GORE: CONGRESS MAY MOVE TO BAN SURROGATE MOTHERS**

The Vatican's ruling banning artificial means of conception is headed for "substantial" opposition in Congress, which may, however, move to ban surrogate motherhood, say lawmakers, legal experts and religious leaders.

"I think there are reasons for examining legislative initiatives that will help to steer technology toward a more humane outcome," Sen. Gore said. "I think the proposal for a ban on surrogate motherhood may receive some very serious consideration within the Congress and in state legislatures."  
(Henry Rosso, Reuter)

## CHALLENGES AND EXPECTATIONS

News conferences have always been an ordeal for Ronald Reagan, and they have become increasingly unbearable for him as their frequency has diminished in the twilight of his presidency.

The concern in the White House is that Americans may now see Reagan through different eyes and expect from him a higher level of accuracy on all matters and a more secure grasp of issues. The President's managers also believe that Americans are likely to remember Reagan's promise in his carefully scripted speech earlier this month that he had learned his lesson and would pay more attention to the inner workings of his government.

Reagan could match these words with deeds by showing at his news conference that he understands the complexities of the challenges facing his Administration. When he goes before the cameras this time, Americans may be watching to see if the President is capable of measuring up to hard questioning without a script in hand. (Lou Cannon, Washington Post, A2)

## THORNBURGH, BENNETT STEAL OVATIONS AT GOP'S RALLY WEEKEND IN N.H.

NASHUA -- Two leading Republicans who are not presidential candidates drew the most applause here at a GOP gathering billed as a "weekend with the next president."

The biggest surprise, according to a number of observers, was the performance by former Pennsylvania Gov. Richard Thornburgh, who substituted for Senate Minority Leader Robert Dole on a Saturday panel originally reserved for GOP presidential hopefuls.

(Ralph Hallow, Washington Times, A2)

## DEAVER/INDICTMENT

Saying he expects to be indicted this week on perjury charges by a federal grand jury, former White House deputy chief of staff and personal friend of the Reagans, Michael Deaver is striking back at his accusers. In an interview in this week's Newsweek magazine, Deaver said many of his congressional critics are guilty of using a double standard.

In an angry comment that won't make him many friends on Capitol Hill, Deaver denounced the "outrageousness of congressmen saying that I violated the public trust, when they go out and make all the money they want on speaking fees" paid for by special-interest groups.

(Chuck Conconi, Washington Post, B3)

## STUDY QUESTIONS ETHICS OFFICE RULING

A congressional study is questioning decisions of a government ethics office that allowed former White House officials to initiate business contacts with former colleagues in other Administration offices.

The General Accounting Office study, made public Sunday, said the office of government ethics ruled "without any substantiating explanation" to allow the contacts.

(Linda Werfelman, UPI)

## **NETWORK NEWS SUMMARY**

(Sunday Evening, March 15, 1987)

(Note: CBS did not air broadcast)

### **IRAN-CONTRA**

ABC's Sam Donaldson: President Reagan continues to work to dig himself out of his Iranian arms sale scandal. And he's prepared to use a tactic he hasn't employed for four months: a news conference.

ABC's Kenneth Walker: President Reagan returned from Camp David to begin preparing for one of the more critical elements of his efforts to recover from the Iran-contra scandal -- a press conference tentatively set for Thursday.

(TV coverage: The President and the First Lady arriving from Camp David.)

That'll be four months to the day after the President's last press conference, a disastrous encounter which sent Mr. Reagan's standing in the polls into a nosedive and raised serious questions about his credibility over secret arms sales to Iran.

(The President, at his Nov. 19 press conference: "We weren't giving the ayatollah Khomeini the, it's a strange situation.")

That was the last time the President publicly took questions about the scandal, although he's tried to talk his way out of the crisis several times. The latest such effort, in yesterday's weekly radio address, was a defense of alleged "paciivity" to the arms sales by Secretary of State Shultz and Defense chief Weinberger.

(TV coverage: Still photo of the President giving address. Pictures of Secretaries Shultz and Weinberger appear below)

Mr. Reagan used the speech to go as far as he has in accepting blame.

(The President: "They were right and I was wrong.")

Right behind the President, Vice President Bush, campaigning over the weekend in New Hampshire, continues to be dogged by questions of his involvement in the scandal. The Miami Herald published a 1985 letter from Bush showing that at a time when Congress had barred all aid to the Nicaraguan contras the Vice President referred a request for help for a contra medical brigade to then national security aide Oliver North. A press conference, while continuing the drive to show Mr. Reagan's in command of the government, is not without risks. Explaining the four-month record of often contradictory statements won't be easy for the President who wants badly to put this crisis behind him so he can focus on the remaining goals of his Presidency: an arms control agreement with the Soviets and winning the budget deficit fight with Congress. (ABC-2)

NBC's Robin Lloyd: The President once again had nothing to say to reporters this afternoon, but aides say it is now highly likely that President Reagan will hold his first press conference in four months later this week.

(TV coverage: the President arriving with the First Lady from Camp David.)

Thursday is the target date. The President's advisors have been tentatively planning this press conference for three weeks. They believe the President did well in his prepared response to the Tower report, but they know he can no longer avoid facing reporters.

(TV coverage: The President delivering his Mar. 4 address)

As one aide put it, "It's the only way he can put a stop to the constant clamoring from the press."

(Reporter: "Will you take questions at a news conference soon?

The President: "We're talking about that.")

For the past week, the President has largely refused to answer reporters questions, reportedly on the advice of his new Chief of Staff Howard Baker. The President even pretended he had laryngitis.

(The President, whispering: "I've lost my voice.")

Reporters have grown increasingly frustrated.

(Helen Thomas: "He has to be accountable, he has to answer the questions, he has to show that he is in charge, he has to show that he has credibility. He's lost a lot, no question about it. He knows that more than anyone else.")

Democrats on Capitol Hill are also growing impatient.

(Sen. Gore: "More and more, people are saying, 'Well, when is he going to answer questions about this.' I think it's overdue.")

What concerns White House officials is that the President will stumble or make a mistake. After his last press conference, his aides had to put out an immediate correction on the way the President characterized Israel's role in the Iran affair. Former White House officials say what's at stake is whether the President can dispel criticism that he's not up to the job.

(David Gergen: "Well, I think that if he were to have a series of mistakes in this press conference that suggested that he was out of touch, not on top of the job, that of course would open a whole new series of questions about his presidency.")

Aides acknowledge they expect that most of the questions will center on what the President knew about the Iran-contra affair, and also what he knew about the entire secret White House operation to fund the contras. In the past two weeks the President has had several meetings with his special advisor on the Iran affair, David Abshire. Aides say preparations will continue through the week. Officials here say an absolutely final decision on the date has not been made yet. But as one White House official put it, "There's no avoiding a press conference. We might as well get it over with." (NBC-Lead)

NBC's Chris Wallace: One of the central questions in the arms scandal has been Vice President Bush's connection to the contra rebels. Today, the Miami Herald printed a 1985 letter in which Bush referred a contra supporter to former NSC official Oliver North.

NBC's Tom Pettit: George Bush was not talking today when he went out for a ride. Especially not about his role in recommending that a pro-contra physician from Guatemala get in touch with Oliver North. Bush's contra connections are a mystery not answered by the Tower commission. The Miami Herald said today Bush wrote the Dr. Castejon in 1985 answering him, suggesting he take his idea for shipping combat medical supplies to Lt. Col. North. Bush's chief of staff Craig Fuller said Bush's letter was appropriate and routine. "I am astonished that it is front-page news," Fuller said. Bush wrote the letter March 3, 1985, but all military aid to the contras was prohibited. His son, Jeff Bush, had forwarded to his father a letter in Spanish from Dr. Castejon. Bush's office said he declined to meet with Dr. Castejon in Washington to discuss medical supplies to contras. He suggested he could contact Oliver North directly or through Bush's staff. Fuller said there was no further contact with Dr. Castejon, but he does not know about North and Castejon -- does not know if North was sent a copy of the Vice President's letter. At the time, Bush was sure North would want to see the pro-contra doctor. The doctor said he not only saw North, but he met with President Ronald Reagan at the White House sometime in 1985. The White House said it knows of no such meeting. As it turns out, the doctor's plan to send medical supplies to the contras was apparently legal, but it fell through. Bush's contra sympathies come as no surprise, unless there are more damning letters about the Bush-contra connection. (NBC-2)

#### POLLARD/U.S.-ISRAELI RELATIONS

ABC's Sam Donaldson: With the Israeli investigative committees now looking into the circumstances of how convicted spy Jonathan Pollard came to work for Israel against the U.S., one of the key figures may be ready to challenge the official Israeli government story of non-involvement. Rafael Eitan has reportedly been telling friends that top officials of the Israeli government knew all about Pollard's activities.

ABC's Dean Reynolds: He is one of the Israelis who allegedly directed Jonathan Pollard's spying against the U.S., something the government here insists was an unauthorized rogue operation. But former intelligence agent Rafael Eitan, who's links to Pollard are being investigated by Washington, was quoted today as saying his government superiors knew all about the spy. Moreover, Eitan reportedly said he is not willing to be sacrificed to cover for the knowledge and responsibility of others. but after meeting today with the legislative committee, one of two panels now looking into the affair, Eitan said the substance of his quoted remarks was untrue. Getting to the truth is precisely what Israel should be doing, in the view of American Jewish leaders who have been arriving here to make just that point diplomatically....

Reynolds continues:

Israelis are responding to appeals for donations to cover Pollard's \$200,000 legal bill. And with moral support, because the government here has done nothing to assist the man who sold U.S. secrets to Israel, the average citizen has stepped in. Private support for Jonathan Pollard may be growing, but so too is public skepticism about the extent of Israeli involvement in this affair. Because the government here only belatedly agreed to investigate the matter, there is now keen interest in what that investigation will turn up.

(ABC-Lead, NBC-7)

WEINBERGER

Wallace reports Defense Secretary Weinberger is in Spain for two days of talks on the American military presence in that country. Just hours before Weinberger arrived, police battled anti-American protesters outside a U.S. Air Force base. Tens of thousands of demonstrators marched fourteen miles from Madrid to the base. They demanded American forces get out of their country.

(NBC-5)

HOSTAGES IN LEBANON

Donaldson reports the families of hostages still being held there is a heavy and continuing emotional cost. The families and friends of Associated Press reporter Terry Anderson, seized in Lebanon two years ago tomorrow, made that point this Sunday.

ABC's Karen Stone reports on the plight of families whose loved ones remain in captivity in Lebanon.... During a news conference, Peggy Say [sister of Terry Anderson] says that she does not advocate trading arms for hostages, but she thinks President Reagan is being unjustly castigated for responding to public pressure.

(Peggy Say: "The very fact that an initiative was chosen indicates that President Reagan did try to do what all of us had told him to do. And I think he at least deserves credit for that.")

State Department officials, noting the second anniversary of Anderson's captivity, renewed their call for the release of all hostages, but beyond that there is no indication the anguishing wait for the hostages and their families will end anytime soon. (ABC-3)

Donaldson reports a pro-Iranian terrorist group in Lebanon said today it will execute one of its French hostages tomorrow. The Revolutionary Justice Organization said a French television technician would be executed because France had not clarified statements about selling weapons to Iraq.

(ABC-4)

## **ABC -- THIS WEEK WITH DAVID BRINKLEY**

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

Guests: Rev. Bartholomew Kiely, professor, Vatican's Georgian University;  
Rt. Rev. Daniel Pilarczyk, Archbishop of Cincinnati; Richard Viguerie;  
Susan Wolfe, medical ethicist.

Subject: The Vatican's decisions this week regarding birth and conception.

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FREE-FOR-ALL DISCUSSION -- Tom Wicker joins panel.

The Pollard case and U.S.-Israeli relations:

Will: It was outrageous to begin with, both in terms of the quantity of the material he absconded with and the sensitivity of it. But there's an aspect of the aftermath that is particularly disturbing. There is coming from some quarters in Israel...the suggestion that what the Pollards did was what any public-spirited, healthy, ethical Jew would do. That is favor Israel first. Now this exacerbates a terrible long-standing sensitivity in the U.S. about the charge, and it's baseless, it's a canard, but it's there that Jewish Americans, by being loyal to Israel, somehow have a double loyalty that makes them less valid as American citizens and that's the real poison in this case.

Donaldson: But in the case of Pollard, the prosecutors at least allege, that was his attitude. Israel right or wrong, Israel first.... So if that is correct then he himself lived the kind of life that gives currency to that kind of charge. But what the Israeli government did here, I think, is very clear. This wasn't a rogue operation. Col. Sella, since promoted..., after he was indicted...the Israeli government by that act clearly said: "Whether we were in on it or not we approve of it." And that's contemptuous of the whole relationship and somehow the Israeli government has to be persuaded it must not do that or else the relationship is going to deteriorate badly.

Wicker: I don't think it's just the relationship between Israel and the U.S. that has suffered here. In fact, in many ways those two countries have ...made themselves so dependent on each other that they can overcome that sort of thing. It seems to me the attitude of the Israeli government in the promotions and in more or less washing their hands of this affair is saying they really have no responsibility for it. It seems to me ultimately that damages Israel in two ways. One, it already has enough difficulty in the world, the way people look at Israel...that certainly doesn't, in my judgement, help them improve their position in that sense. And the other way, it seems to me as a non-Jew in looking at Israel from this country, it seems to me that I've seen a progression in that country's policy over a number of years now away from the things that one once admired about Israel towards a reliance upon sheer strength and sheer assertion of interest and a movement away from what one hoped for, perhaps unrealistically, a sort of a moral position by Israel. I think that's very damaging for Israel.

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## ***CBS -- FACE THE NATION***

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Moderator: Lesley Stahl.

Guests: Roger Smith, Chairman and CEO of General Motors; David Halberstam, author of The Reckoning; Maryann Keller, vice president of Furman, Selz.

Subject: The state of the U.S. auto industry.

Stahl: General Motors' profits fell 28% last year. We spoke earlier with Roger Smith and asked him if the giant corporation is in trouble.

Smith: No, no more than you can say any American company is in trouble.... We need a little help from our government to make us world-class competitive by getting some of the really obnoxious regulations out that make it very costly to us....

Stahl: ...What would you like to see in a trade bill? Would you like to see stiff sanctions and quotas and that kind of thing...?

Smith: No, it's going to take more than legislation to get out of the trade problems we have. We can't legislate our way out. And that's my biggest worry about the trade bill.... We need to see the dollar come down a little. It's still over-valued....

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## ***NBC -- MEET THE PRESS***

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Moderator: Marvin Kalb.

Panel: Ken Bodie of NBC and Cokie Roberts of National Public Radio.

Guests: Bishop James Malone, immediate past president of the National Conference of Catholic Bishops; Father Richard McCormick, professor of Christian Ethics at Notre Dame University; Sen. Albert Gore, vice chairman of the Congressional Biomedical Ethics Board.

Subject: The Vatican's decisions this week on birth and conception.

Roberts: Sen. Gore, you have had hearings on the whole question of test tube babies, and have looked at all the biomedical questions. Do you see a role for government here as you look at this document...?

Gore: Actually I think there is a need for legislation, but I don't think we should be forced to chose between a completely laissez-faire approach on the one hand or an outright and total ban on the other extreme....

As an example, I think that the proposal for a ban on surrogate motherhood may receive some very serious consideration in the Congress and in state legislatures, but if a majority felt that went too far then there might well be discussion of a legislative proposal that would disallow the enforcement of such contracts unless and until the surrogate mother had an opportunity to change her mind during a period following the birth experience....

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## ***THE McLAUGHLIN GROUP***

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Moderator: John McLaughlin.

Panel: Morton Kondracke, Fred Barnes, Robert Novak, Jack Germond.

On Contra aid:

Barnes: Things really could be worse for the contras and they may be next week when the Senate votes on this aid, but they aren't dead yet because these votes now aren't on the contras, per say, but on Reagan and on the Iran scandal. Come next fall, then the House and the Senate will vote on whether to abandon the contras when there are twelve or fifteen thousand of them in the field in Nicaragua, that's going to be a lot harder and the Reagan Administration only needs to turn around less than twenty votes and it's still possible they can do it.

Novak: The shame is that we are on the verge once more of betraying a peasant army that we have put into being. I hope...it is hard for those people on the Hill to betray the people they have sent into combat, but I think they can do it.

Germond: I don't think you ought to read too much into that House vote. And the reason for that is they knew they were casting a vote that would not in fact cut off the \$40 million. ...I think probably a substantial number of those people voted that way because it was a free vote for them and they wouldn't vote that way if you really got down to it. I don't think we're going to have a real answer on this thing until the fall....

Kondracke: ...The President can veto a cut-off of this \$40 million, which he would do in a minute, but this is a very bad sign. It is a lot of people pledging themselves against contra aid for the next vote that comes up in the fall. It is recoverable, there are seventeen votes that have to be switched. Tom Foley...says that the seventeen votes could be switched if the Administration makes a good faith effort to negotiate this thing out. Now it seems to me that the Arias plan...is the correct vehicle, properly moderated.

Barnes: There's only one way you can get what the Arias plan is after and that's...democracy in Nicaragua. There's no way to create that except through the contras, through the pressure of the contra insurgency, either they win or they force the Sandinistas to negotiate.

McLaughlin: The question Ronald Reagan has to face is: Is he going to give up the fight for the \$105 million that he wants down the line or is going to stay with it? Is he going to take the message from Bob Michel and other Republicans and move into the transition or is he going to fight it out?

Barnes: He's going to fight it out. Bob Michel does not reflect the thinking of a majority of Republicans in the House.

Novak: I think the President -- he is still Reagan -- and he is not going to reflect John McLaughlin and Bob Michel.

Germond: I think it depends on whether he gets caught with his own fingerprints on the diversion of the money from the Iran arms sales. If he does, the \$105 million is dead.

Kondracke: Of course he's going to fight for it and so will Frank Carlucci and Frank Carlucci is going to shift the balance finally from the CIA to the favor of the politicians who want to negotiate.

McLaughlin: What's going happen is that they're all going to get on board the Arias plan. They're going to tie about \$30 million, not \$105, to humanitarian aid and it may actually survive.

On the Pollard case and U.S.-Israeli relations:

Kondracke: The Israelis have had in the U.S. a compliant milk cow forever. They get weapons, they get intelligence advice, they get protection, they get political support from the U.S. Now they've decided to try to eat the cow.... I think this is disgraceful on their part and an end's got to be put to it...by the Congress of the U.S., in the form of a sharp slap on the wrist and cut in aid next time, in order to inform them that this can't continue.

Germond: The most striking thing about this story over the last two weeks is the absolute silence from Capitol Hill. They're so craven, you call them up and say, "Anyone going to do anything about foreign aid?" Let's talk about background -- nobody wants to be quoted....

Novak: Those people on the Hill, the same people who are selling out the contras, are so afraid, so terrified, that anything they might do might hurt their financing, might hurt their campaigns, I guarantee you this is not going to make an iota of difference in U.S.-Israeli relations. They can do anything, they can eat the milk cow and spit it out! And it still will not do anything.

Barnes: This is seriously going to hurt Israeli-American relations because the Israelis have done, among other things, they've been politically stupid and insulting. They thought that with this particular scandal environment in the U.S. that they could stone-wall investigators and they can't get away with it.

On Maureen Reagan:

Barnes: She may be hare-brained, but there's a big difference between Maureen and Nancy Reagan. Maureen Reagan has been elected to something.

Novak: Maureen is being attacked terribly because this position that they should be court-martialed is actually a moderation of her previous position. She had a private luncheon with the staffers at the Republican National Committee and she said that North and Poindexter should be taken out and shot and so this court-martial is really a moderation. I think when the President's daughter, out of nepotism, is forced on the Republican National Committee, that's nonsense.

Germond: This whole thing is nothing, the minute her father leaves office she's gone.

Barnes: That's two more years, Jack, she's going to be in there.

McLaughlin: Was she put up to this? Is the strategy perhaps, we trash Poindexter and North, we destroy their credibility because everybody in Washington knows that these two guys are going to go up there and say that they told the President a couple of times about the diversion of funds. We kill their credibility now and that helps the President get off the hook.

Barnes: Maureen Reagan is not part of any presidential strategy or any White House strategy whatever. She horned her way into this press conference to say something that was on her own mind and I must say I'm glad she's not my lawyer.

#### PREDICTIONS:

Barnes: The White House has decided on a theme for the Economic Summit in June to show the Europeans how dependent they are on American leadership. The theme is the fortieth anniversary of the Marshall Plan.

Novak: Sen. Bumpers within five days will announce his presidential campaign. Guess who is reconsidering and may enter? Pat Buchanan, if the Kemp camp doesn't get moving.

Germond: If the Administration gets into a crunch on contra aid later in the year, they'll throw Elliott Abrams over the side to get it.

McLaughlin: It will soon be made evident that the Soviet Union is a de facto member of OPEC, which means that pricing will be affected as well as production and exports. Watch that one.

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## **AGRONSKY & COMPANY**

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Moderator: Martin Agronsky.

Panel: James J. Kilpatrick, Lou Cannon, Strobe Talbott, Carl Rowan.

### Contra Aid

Rowan: It was always a policy heading no place better than to sending U.S. troops into Nicaragua. Let's hope the Iran-contra scandal and disarray in the contra's movement leads the Administration to something else.

Kilpatrick: I'm afraid it may be the end of the President's policy and I'm sorry it's going in that direction. One of these days the liberal Democrats who voted this down will be regretting it keenly.

Cannon: The beginning of the end probably came the day that Attorney General Meese appeared in the briefing room and announced proceeds from the Iran arms sales appeared to have been diverted to the contras. The fact is that whether you support this policy or oppose it, it has always been an unpopular policy in this country. It was unpopular when the President was at seventy percent in the polls and it's more unpopular now.

Talbott: What it is the beginning of is the great who lost Nicaragua debate of 1987 and 1988.

Agronsky: Why when everyone accepts that neither House of Congress wants to give aid to the contras and certainly not approve aid to the contras in the next effort at an appropriation. Why is it that everyone accepts that this \$40 million that is now under consideration has to go forward and be given to the contras?

Rowan: While a majority will not want that \$40 million to go forward, there are enough members in both Houses who believe there's a risk of another Cuba, there's the risk of a Soviet military base there and they don't want to face the heat so they say, "We'll vote to let the money go forward or at least we will vote to sustain the President's veto."

Talbott: The risk is more immediate and political and domestic. The risk is that the Republicans in the Administration will be able to accuse them of setting up a condition in which Nicaragua....

Kilpatrick: When Nicaragua falls, when Nicaragua gets to be a Soviet puppet state, you guys are going to regret it.

Rowan: The trouble in Central America and Latin America is not the danger of Soviet military base. You know where they're licking our pants off right now? In the field of diplomacy and trade. When I was in the State Department only three countries down there would even have diplomatic relations with the Soviet Union. Now they are in sixteen countries, they've got a diplomatic base in every important country in Central and South America and they are down there telling the people that we're killing them with high interest rates and so forth. So it's not Soviet arms that I worry about, it's diplomacy and trade policy.

Cannon: It's true that the contras...have not really had that many successes in the field. What you're witnessing, it seems to me, is the Democrats in trying to stop this \$40 million that they know they're not going to be able to stop, they are signaling that when the President comes back in the fall he's not going to be able to get any further contribution and I think that's right, I think this is the last appropriation.

Agronsky: Not just the Democrats. Bob Michel concedes right up front that that second round of aid to the contras is not going to be passed.

Talbott: If there's a bottom line in the congressional position it's not that the sentiment up there is to pull the plug on the contras altogether. What they are trying to do is put pressure on the Administration to build up the diplomatic component of the policy, the diplomatic carrot to go along with the contra stick....

Agronsky: The negotiation process proposed by the Costa Rican president.

Kilpatrick: The Democratic leadership is unwilling to do anything constructive to stop a communist take-over in Nicaragua.

Talbott: What's at issue here is what you can live with as a result of the policy. The Reagan Administration has taken the position, up until now, that it can't live with anything short of driving the Sandinistas right out of Managua back into the hills. And the Congress is saying that may simply be unfeasible. It's unfeasible because the contras aren't politically strong enough or militarily strong enough and we may have to settle for less.

#### On Sen. Nunn's Challenge to the Broad Interpretation of the ABM Treaty

Agronsky: Sen. Nunn denounced the Administration's interpretation of the ABM treaty as a "gross misinterpretation" and says that you cannot conduct SDI testing under it.

Talbott: The Administration is going to back down. They do not want a confrontation with the Congress, they don't want to get at odds with the single-most influential Senator on these issues, they don't want to touch off even more of a back-lash than they already have to put up with against their SDI program.

Rowan: This is where Howard Baker's going to be a big factor. Howard Baker, I'll wager you, is already working on a compromise so they don't have that confrontation.

Cannon: One of the most dramatic differences that has happened in this change-over at the White House...is that the new Chief of Staff, Sen. Baker, is trying to avoid these confrontations which he thinks not only the Reagan Administration can't win on but nobody can win on. And I would think that we're going to have this broad interpretation of the treaty, that the Administration wants, put on a back-burner for a while.

Agronsky: Does this mean we will not go forward with SDI testing?

Cannon: There's quite a bit of SDI testing that can be done within the strict interpretation of the treaty. And I think they are going to try to avoid doing something that is going to confront the Congress and encourage Congress to cut funds for SDI.

Talbott: The issue wasn't what would actually be permitted in the near term under SDI. Nothing is possible in the near term under SDI that would have brought the U.S. into violation of the treaty. The purpose of the people who promulgate it...was to kill the ABM treaty as a basis for a future agreement with the Soviet Union.

Kilpatrick: In my opinion, I would scrap the ABM treaty and get on with the national interest.

Agronsky: Would this in any way interfere with our going forward with our effort to follow up on the Russian-American negotiation to end medium-range nuclear missiles in Europe?

Cannon: If anything, this is going to encourage it. But it's on its own track; this is certainly not going to discourage that track from moving forward.

On the Pollard Case and U.S.-Israeli relations:

Talbott: I think the important thing is the Israeli government has belatedly realized that it does have a special relationship with the U.S. and therefore it's got to give special treatment to something as sensitive and controversial as this.

Cannon: The American Jewish community...has done what it rarely does -- its broken its silence and spoken out very forcefully on what the Pollard case has done and I think that's good because it means that the special relationship doesn't permit Israel to do anything.

Agronsky: I find it inconceivable...that Israel could have gained any kind of espionage from this country that would be useful enough so that it could justify it becoming known and result in the kind of dreadful corrosion of the U.S.-Israeli relationship that comes from it.

Cannon: It also corrodes relationships in this country. It feeds...anti-semitism of people who want to charge...that American Jews have a first loyalty to Israel.

Rowan: There was a certain kind of galling arrogance that the leaders of Israel were showing for a while and it's laudable that the leaders of the Jewish community said to them, "You cannot get away with this kind of arrogance and this kind of stupid pretending that this was some kind of rogue act." but I don't know how far they'll go in admitting the truth about what occurred, but I think it's good that they backed away from arrogance.