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News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, APRIL 21, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action -- White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress. (Washington Post, AP, Newhouse, UPI)

Reagan Returns From Vacation, Talks Arms Control -- President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union. (AP)

NATIONAL NEWS

Budget Bills Greet Returning Congress -- The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess. (USA Today, Washington Times)

NETWORK NEWS (Monday Evening)

IRAN-CONTRA -- The U.S. Army was deeply involved in setting up a secret aid pipeline before Congress banned military aid.

LINNAS -- Accused Nazi Karl Linnas was deported to the Soviet Union.

JAPANESE TRADE -- American officials insisted that the current trade dispute with Japan must not erupt into a trade war.



"And somebody's been negotiating about MEDIUM range missiles."

INTERNATIONAL NEWS

JAPANESE ENVOY TO MEET WITH REAGAN TODAY

White House Chief of Staff Howard Baker urged a special Japanese envoy, former Foreign Minister Shintaro Abe, to bring fresh ideas for easing the growing trade frictions between the U.S. and Japan when he meets today with President Reagan.

Baker, speaking to reporters on Air Force One as Reagan returned to Washington from his California vacation, also dashed Japanese hopes that the trade sanctions the President ordered Friday would be lifted before Prime Minister Yasuhiro Nakasone arrives here April 29.

Abe, who arrived here Sunday night to pave the way for the Reagan-Nakasone summit, met with Vice President Bush, Secretary Weinberger and Secretary Shultz. But the major reason for his visit is his meeting with Reagan to deliver a plea against trade sanctions.

(Stuart Auerbach, Washington Post, D1)

U.S./Japan Trade Relations

White House Chief of Staff Howard Baker said he hopes Japanese Foreign Minister Shintaro Abe will share "some useful insights" with President Reagan on the trade tensions between the two nations.

Abe met with Vice President Bush and Bush said he was "convinced the matter can be resolved. I think the visit of Mr. Abe is a very important step. He will find we are not only determined but also want to see this matter resolved."

(UPI)

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action

White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress.

On the eve of President Reagan's meeting with for Japanese Foreign Minister Shintaro Abe, Vice President Bush and Chief of Staff Howard Baker said they doubted the Japanese could win any quick reversal of the President's decision to impose \$300 million in punitive tariffs on Japanese electronic products.

The former Japanese foreign minister met with Bush Monday, then told reporters that "we should settle the matter through friendly talks, not through confrontation or sanctions or reprisals."

But Baker, talking to reporters accompanying Reagan back to Washington aboard Air Force One, said that Reagan's April 30 meeting with Nakasone ought to be more than just a friendship meeting.

(Merrill Hartson, AP)

Reagan Meets Today With Japanese Trade Emissary

The Administration, insisting on concrete action as proof of a commitment to fair trade, has placed the onus on Japan to call off a feud that has provoked \$300 million in U.S. tariffs on Japanese products.

Aware of that stance in his mission to pursue an end to the trade dispute, former Japanese Foreign Minister Shintaro Abe had an appointment today with President Reagan to plead the case for rescission of the retaliatory tariffs ordered last week on computers, power tools and color televisions.

Reagan was expected to stand firm on his insistence for "firm and continuing evidence" that Japan is abiding by an agreement on computer chip sales before repealing the tariffs, more politically symbolic than economically harmful.

As a result, White House officials said they expect the trade tussle to continue unabated for at least the next several weeks -- long enough to cast a shadow over the visit next week of Japanese Prime Minister Yasuhiro Nakasone.

Norman Sandler, UPI)

U.S./Japan Trade Relations

On both sides of the Pacific, the message from top Reagan Administration officials is the same -- No more Mr. Nice Guy -- as the U.S. keeps pressure on Japan to change its trading practices.

The tough new line was operating when Vice President Bush ushered former Japanese Foreign Minister SHintaro Abe into his office to discuss the imposition of \$300 million in tariffs on imports of Japanese computers, power tools and television sets in retaliation for Japan's reneging on an agreement not to sell computer chips at unfairly low prices.

The United States and Japan have "a very strong relationship," Bush said, but "we have a problem here."

Meanwhile, in Tokyo, U.S. Trade Representative Clayton Yeutter told Japanese Foreign Minister Tadashi Kuranari that Japan must do more to stimulate consumer demand and open its domestic market to American goods.

(Miles Benson, Newhouse)

Yeutter Sounds A Conciliatory Note, Says Trade Issue Should Not Hurt Relationship

OISO, Japan -- U.S. Trade Representative Clayton Yeutter said that Japan and the U.S. should not allow their dispute over semiconductors "to cloud our larger relationships."

Yeutter, who spoke to the seventh Shimoda Conference here, had prepared a stern speech to deliver to the group, but did not deliver it. Instead, he made remarks that appeared to be an attempt to defuse tensions between the nations, which reached a peak last Friday when President Reagan imposed \$300 million worth of tariffs against Japan for its alleged failure to conform to an agreement to prevent dumping of semiconductors.

In his prepared text, Yeutter warned that the dispute over semiconductors could be followed by similar harsh actions if the huge American trade deficit with Japan, nearly \$60 billion last year, is not reduced.

"When we sign agreements, we expect them to be fully implemented," Yeutter said in the prepared text. (Hobart Rowen, Washington Post, D1)

BALDRIGE WARNS ON TRADE

SEOUL, South Korea -- Commerce Secretary Malcolm Baldrige said that U.S. businesses "don't stand a chance" in nations with trade barriers, and he warned that the U.S. may close its markets accordingly.

The U.S. may one day say, "If your markets are closed, I'll close mine," Baldrige told the Korean Traders Association at the start of an 11-day trip to South Korea, China, Hong Kong and the Philippines. "It's not much more complicated than that."

Baldrige told the traders that "time is really a scarce commodity" in the American view of international trade because Congress is moving to enact protectionist legislation. (UPI story, Washington Post, D2)

CONGRESS/TRADE

Two powerful House leaders, who have been mighty adversaries in the past, are at odds again in a fight over whether to include a "protectionist" provision in pending trade legislation.

Neither House Speaker James Wright nor Rep. Dan Rostenkowski, chairman of the Ways and Means Committee, is commenting publicly on the dispute, but their forces are lobbying fiercely in anticipation of a full-fledged battle on the House floor later this month.

Arrayed on Rostenkowski's side are business, farm and consumer groups. Wright's backers come mainly from organized labor.

Their fight centers on an amendment by Rep. Richard Gephardt that would require strong government action to reduce the U.S. trade imbalances with Japan, Taiwan and South Korea.

(Paula Schwed, Newhouse)

TRADE OFFICIAL QUILTS, RAPS POLICY

CHICAGO -- A federal export specialist, saying he is dismayed by U.S. trade retaliation against Japan, announced that he will resign as director of the Chicago office of the Commerce Department's U.S. and Foreign Commercial Service.

Gerald Marks, a 17-year veteran of the service, called Reagan Administration trade policy "myopic at best, dangerous to the world trading structure at worst."

Marks faulted trade officials, the Administration, and congressional leaders for asserting that "our trade problems would be resolved if the Japanese would simply remove all barriers. This is offering false promise to the nation."

(Kevin Klose, Washington Post, A17)

REAGAN RETURNS FROM VACATION, TALKS ARMS CONTROL

President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union.

Besides meeting with top Democratic and Republican leaders this week, Reagan is expected to give instructions to his arms negotiators, who will start a new round of U.S.-Soviet talks in Geneva on Thursday.

Reagan said over the weekend that while significant issues still divide the superpowers, "our negotiators will intensify their efforts to clear them away when talks resume in Geneva." (Susanne Schafer, AP)

SEN. BAKER/SUMMIT PROSPECTS

President Reagan's Chief of Staff said he believed any summit meeting with Kremlin Chief Gorbachev would be designed to resolve outstanding problems and lead to an arms control accord.

"If there is a summit, my guess would be that final resolution of important issues would come out of that summit and it would not be an acting out of agreements already made," White House Chief of Staff Howard Baker told reporters.

Baker, speaking as he accompanied Reagan back to Washington from a California vacation, said it appeared both sides wanted a summit to conduct "useful business."

"I take that to mean the completion of important agreements between our two countries. I think a summit, if one is held, will be more than a formality. I think the answer to many issues that divide us will finally have to be made by the two heads of government," Baker said.

(Michael Battye, Reuter)

WRIGHT SEES BEST HOPES FOR SUPERPOWER ARMS CONTROL IN YEARS

House Speaker Jim Wright, returning from the Soviet Union, said the U.S. and the Kremlin have the best opportunity in generations to forge a nuclear arms control agreement.

"I have the feeling that there seems to be the best opportunity that has existed probably since the Russian Revolution for bringing about a mutually acceptable arms agreement that would be to our advantage," Wright said after arriving at Andrews Air Force Base.

But despite his guarded optimism, Wright declined to derail a move in the House to attach some arms control proposals that are unpopular with President Reagan to a major spending bill. One of the proposals includes calling on the Administration to uphold the unratified 1979 arms control agreement with Moscow regarding cruise missiles. Reagan successfully appealed to the House last fall to delete this proposal before he met Gorbachev in Iceland for arms control discussions.

(Michael Myers, UPI)

House Speaker Predicts Approval Of Two Arms Control Proposals

The House will approve two arms control proposals this week despite Reagan Administration fears that they will hamper U.S.-Soviet negotiations and the possibility that an arms agreement is "quite near," says Speaker Jim Wright.

The Texas Democrat, who returned Monday night from meetings with Soviet leader Gorbachev and other high-ranking officials, said "we have the impression that they are quite near to an accord," referring to both nations.

However, Wright said "it will be my guess that the House will pass" the restrictions when it considers a spending bill later this week.

(Tim Ahern, AP)

STATEMENT AGAINST MARINE IS SAID TO BE RECANTED

Lonetree Lawyer Says Witness Threatened

A key witness has recanted his statement that Marine Sgt. Clayton Lonetree allowed Soviet agents to roam the U.S. Embassy in Moscow, Lonetree's lawyer said.

Attorney Michael Stuhff said Cpl. Robert Williams, one of six Marines brought home last week for questioning, told him that Naval Investigative Service agents had threatened him when he made the statement.

Stuhff said Williams' decision to repudiate the testimony leaves the government without a case.

(Washington Post, A4)

SALE OF COMPUTERS TO IRAN IS ALLOWED

The Reagan Administration decided late last week to permit the shipment of a \$900,000 computer system to Iran, overriding the objections of Defense Secretary Weinberger, according to government and industry sources.

The decision was made by the National Security Council. It mediated the dispute between Weinberger, who vigorously opposed the sale of any equipment to Iran, and the Commerce and State Departments, which urged that the transaction go ahead.

(David Sanger, New York Times, D1)

ACCUSED NAZI IS DEPORTED

Karl Linnas Sent To Soviet Union To Face Execution

Accused Nazi war criminal Karl Linnas was deported yesterday to the Soviet Union, where he faces a death sentence for his World War II role as head of an Estonian concentration camp where 12,000 people were killed.

The Supreme Court cleared the way yesterday for Linnas' expulsion, voting 6 to 3 to deny his request of a delay, effectively ending his five-year struggle to remain in this country. The justices issued no opinion with their vote.

The Linnas case triggered a battle that split the Reagan Administration and pitted the Jewish and East European communities against one another.

Justice Department attorneys had demanded his deportation, while Patrick Buchanan, former White House communications director, publicly protested sending a U.S. resident to face Soviet justice.

(Al Kamen & Mary Thornton, Washington Post, A1)

U.S. MUST ACT IF CONTRAS FAIL, CALERO IS QUOTED

TEGUCIGALPA, Honduras -- The leader of the major U.S.-backed Nicaraguan rebel army was quoted as saying that the U.S. would have to invade Nicaragua if the contras fail to oust the Sandinista government.

"We should avoid at all costs that the North American government takes direct action in the liberation of Nicaragua, but the U.S. will have to act if we do not achieve our aims," Adolfo Calero, head of the Nicaraguan Democratic Force was quoted as saying.

In Washington, Attorney General Edwin Meese said that it is "absolutely necessary" that Congress continue the flow of funds to the rebels.

"This is not just an issue about the contras," Meese told a convention of the Daughters of the American Revolution. "The real issue is, will we allow Nicaragua to become another Cuba, another bastion of the Soviet Union in our hemisphere?"
(Baltimore Sun, A4)

ARMY COMMANDER IN ARGENTINA QUILTS IN WAKE OF REVOLT

BUENOS AIRES -- Less than 24 hours after a rebellion of infantry officers ended peacefully, Argentina's Army Chief of Staff resigned, paving the way for a shake-up of the entire army high command.

President Raul Alfonsin, who personally intervened to persuade the officers to surrender, temporarily named his civilian defense minister, Horacio Juanarena, to replace Gen. Hector Rios Erenu as head of the army.

Within the next few days the president is expected to force the retirement of many senior generals and colonels in the hope of ending unrest within military ranks over the trials of 280 officers charged with past human rights abuses.
(Alan Riding, New York Times, A1)

PLO SIGNALS HARD LINE AT GATHERING

Moves Toward Reunification Deal Double Blow To U.S. Policy

ALGIERS -- After four divided years, most of the Palestine Liberation Organization met under the same roof as a parliament-in-exile, in a move toward reunification that also involves a realignment of PLO relations within the Arab world and hardens their terms for peace in the Middle East.

Beyond the rhetoric-filled speeches delivered during today's opening session, the PLO's move toward reunification appeared to abruptly upend U.S.-backed efforts by Israel and Jordan's King Hussein to undermine Arafat's leadership of the 1.3 million Palestinians who live in the territories occupied by Israel.

At the same time, the PLO's unity platform is solidly aligned with efforts by the Soviet Union, among other nations, in pushing for an international peace conference on the Middle East under terms that have been staunchly opposed by the U.S. and Israel.

(Patrick Tyler, Washington Post, A1)

NATIONAL NEWS

CONGRESS RETURNS TO FACE ARMS, BUDGET, IRAN AFFAIR

Arms control, the federal budget and immunity for a key figure in the Iran-contra affair will top the agenda when Congress resumes work today after a weeklong recess.

The House is scheduled to start work tomorrow on an \$11.3 billion supplemental appropriations bill for 1987. The measure, which includes two controversial Democratic arms control proposals, sets up a major confrontation with the White House.

The Administration has warned that the bill, if approved with the proposed amendments, may be vetoed by President Reagan, who returned to Washington after an 11-day vacation in California.

In upcoming days, the President is expected to meet with Republican and Democratic leaders to brief them on last week's talks in Moscow between Secretary Shultz and Soviet leader Gorbachev.

(Jennifer Spevacek, Washington Times, A4)

Budget Bills Greet Returning Congress

The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess.

The House debates arms control -- amendments banning all but the smallest nuclear tests and requiring U.S. adherence to the SALT II Treaty.

Chief of Staff Howard Baker, on his way back from California Monday, said he didn't know "any way to stop the House" from backing the ban.

But he added: "It's a sensitive time and I believe the Congress will give the President the latitude to pursue these (arms control) matters."

The White House also complains the House budget bill cuts its defense and foreign aid requests by \$4.7 billion, while boosting domestic spending. But the bill is \$1.2 billion smaller than Reagan's request.

(Fred Anklam & Bob Minzesheimer, USA Today, A4)

MAJORITY OF AMERICANS FAVOR 'STAR WARS' PLAN

Most Americans are in favor of President Reagan's "Star Wars" program to develop a missile defense system although many mistakenly believe that the U.S. already has weapons to defend against a nuclear attack, according to a poll released yesterday.

The survey of 1,004 Americans was commissioned by the Committee on the Present Danger, a Washington-based organization.

Of those polled, 64 percent said that "the U.S. currently has a system to defend against nuclear missile attack," while 31 percent thought that statement was false and 4 percent said they did not know.

Seventy-four percent of those polled said they favored deploying an anti-missile system in the U.S. with 19 percent opposed and 7 percent with no opinion, the poll said.

The Committee on the Present Danger has been a consistent advocate for "Star Wars" and for higher levels of defense spending.

(AP story, Washington Times, A8)

CALIFORNIA AN SDI SUPERSTAR State Has Nearly half Of Project's Contracts

Nearly half of the \$10.9 billion in contracts signed so far for "Star Wars" antiballistic missile defense research have gone to companies and laboratories in California, according to a private study released Sunday.

The report by the Federation of American Scientists, an organization that has frequently criticized SDI, found that since 1983, when President Reagan launched the program, California has won Star Wars contracts worth \$4.9 billion, or 45.1 percent of the total, with Los Angeles winning 054 contracts worth \$2.6 billion and the San Francisco area winning 234 deals worth \$1.9 billion.

(AP story, Washington Post, A17)

MEESE TALKS TO FBI ABOUT WEDTECH

Attorney General Meese was interrogated by two FBI agents Friday about his knowledge of Wedtech Corp., a New York company under criminal investigation.

During the interview, Meese was told he was not the target of a criminal probe, according to a high-ranking Justice Department source.

"They specifically told him he was not under investigation," said the source. "He was absolutely not read his rights or told to prepare a defense."

(Michael Hedges, Washington Times, A1)

OIL HUNT URGED IN ARCTIC REFUGE Environmentalists Oppose Interior Dept. Plan; Hill Fight Seen

Interior Secretary Donald Hodel recommended that Congress open an Alaska wildlife refuge to oil drilling, saying potential oil resources there are "vital to our national security."

Hodel said he believes that 1.5 million acres of the Arctic National Wildlife Refuge's coastal plain could be developed without causing significant environmental damage or harming the caribou, musk oxen or other wildlife for which the refuge was set aside.

The recommendation is expected to face major opposition, however. House Interior Committee Chairman Morris Udall has joined more than 70 House colleagues in supporting a bill that would declare the area wilderness off-limits to drilling.

(Cass Peterson, Washington Post, A8)

HETEROSEXUAL AIDS MAY SURGE, KOOP SAYS Estimate Of U.S. Infection Rate Seen Too Low

The AIDS epidemic may be "on the threshold" of accelerating its spread among heterosexuals in the U.S., according to U.S. Surgeon General C. Everett Koop.

The coming year's statistics could show whether the disease will "explode" among heterosexuals as it did among homosexual males in the early 1980s, Koop said.

(Susan Okie, Washington Post, A4)

IRAN — NICARAGUA

IRAN-CONTRA TESTIMONY TALKS CALLED AT 'CRITICAL POINT'

Congressional investigators are "at a critical point" in negotiations with a key figure in the Iran-contra money trail and have been talking with another who so far has taken the Fifth Amendment, the chairman of the House panel investigating the affair said.

With little prospect of getting records through Swiss banks or the Swiss government, Rep. Lee Hamilton said congressional investigators hoped that Albert Hakim, the Iranian-born partner of retired Maj. Gen. Richard Secord, will -- along with others -- "provide access to some of the bank records -- whether all, I don't know."

Hakim, whom the lawmaker called "the financial guy" in a team that played key roles in the Iran arms sales and in providing supplies to Nicaraguan rebels, remains out of the country. Investigators do not know if he will appear as a witness, but Hamilton said he thought negotiations with Hakim's lawyers would be resolved soon.

(Mark Matthews, Baltimore Sun, A1)

RAFSANJANI: RELATIONS TURN ON U.S. POLICY Iranian Says Washington Broke Promise

TEHRAN -- Iran's relations with the U.S. need not remain poor until "doomsday," but the U.S. must first curb its support for Israel and give up its "mischievous" acts against Iran, the powerful speaker of Iran's parliament said.

In detailed and wide-ranging comments on the Iran-arms affair, Speaker Rafsanjani said at a news conference that "more...hostages would have been released" if the U.S. "had kept (its) word" with Iran during what he called "the short period" of secret contacts between the two countries.

Rafsanjani specifically complained that the U.S. had overcharged Iran for weapons, and had let Israel become involved in the affair "even though it (the U.S.) knows we hate Israel." He also reiterated that his government is still willing to use its influence with radical groups in Lebanon to free western hostages if the U.S. drops its "hostile attitude" toward Iran and releases frozen Iranian assets.

(Robert McCartney, Washington Post, A21)

CONTRA BANKING NETWORK PREDATES FALL OF SOMOZA Cayman Islands Account Is A Focus Of Probes

The secret financial network used by the Nicaraguan rebels to receive and distribute tens of millions of dollars in donations after the cutoff of U.S. military aid initially was set up in 1977 to hide the money transferred abroad by wealthy Nicaraguans fearful of a Sandinista victory, Miami banking sources say.

According to the sources, the contra network used the same Cayman Islands bank -- Banco do America Central (BAC) -- the same system of Miami "pass-through" accounts and Panamanian shell companies, and perhaps some of the same advisers. (Dan Morgan, Washington Post, A1)

NETWORK NEWS SUMMARY

(Monday Evening, April 20, 1987)

IRAN-CONTRA

CBS's Dan Rather: Did the Department of Defense help circumvent Congress and the law as part of the weapons for contras deal? The Pentagon is the target tonight of new questions about the scandal. Up to now, investigations of secret aid to the Nicaraguan rebels have focused on the White House and the CIA. But CBS News has now confirmed that the U.S. Army was also deeply involved setting up a secret pipeline even before Congress banned military aid to the contras in 1984.

CBS's David Martin: In 1983 a secret Army unit operating out of this office building in the suburbs of Washington opened an account at the Credit Swiss Bank in Geneva, Switzerland. Two years later, two and a half million dollars was withdrawn from the Army's secret account in just one day. \$75,000 of that was used to...carry arms to the contras at a time when U.S. military aid was barred by law. Bank records show two of the people authorized to withdraw money from that Army account were Oliver North and Richard Secord -- key figures in the sale of arms to Iran and the alleged diversion of money to the contras. Until now, the Pentagon has insisted its only role in the affair was to provide the weapons which were sold to Iran. The existence of this account opens up an entirely new and previously unsuspected connection between the Pentagon and the secret operations of Oliver North -- records which might explain who in the Army authorized the account and why either never existed or have since disappeared. However, two sources say it appears the account was set up in anticipation of a Congressional cut-off of aid to the contras. In addition to North and Secord, at least two other names appear on the account -- William Golden, an Army intelligence officer who worked for Business Security International, a front company used by the Army to support secret operations; Joel Patterson, a civilian who also worked for Business Security International. Patterson is known in intelligence circles as an expert in the secret movement of funds. He denies any knowledge of the Swiss bank account.

(Joel Patterson: "Most ridiculous thing I've ever heard. Really I have no more to say other than that.")

The Army initially said it had no evidence that such a bank account existed, but after CBS News provided the account number, the Army began an inquiry which has now been taken over by the special prosecutor investigating the Iran-contra affair. (CBS-Lead)

LINNAS

NBC's Tom Brokaw: Is he a Nazi war criminal guilty of killing 2,000 people at a concentration camp or is he the victim of a Soviet judicial system determined to punish him for his anti-Communist views? His name is Karl Linnas and tonight he is scheduled to be deported from the United States, sent back to the Soviet Union where he has already been sentenced to death.

-more-

Brokaw (continues): Linnas as been living in this country as a citizen since 1959, but the U.S. Supreme Court ruled today he can stay here no longer.

NBC's Carl Stern: Linnas was whisked to New York's Kennedy airport just hours after the Supreme Court cleared the way for his deportation. He called it kidnapping and murder.... In court Linnas' lawyer had argued that the Justice Department was caving in to Soviet demands to expedition and that Linnas was not a mass murderer as the Soviets claimed. But Justice Department lawyers said there was plenty of evidence that Linnas lied about his Nazi past when he entered the U.S. after the war.... Anti-Communist groups and some notable conservatives, including Patrick Buchanan and William Buckley contended the Russians had made up the evidence to get at Linnas for being an anti-Communist. They said the U.S. should not be showing respect for Soviet justice.

(Attorney General Meese: "Our responsibilities under the law are to deport him. This is the order of the court and we have the obligation to carry that out.")

Linnas was scheduled to fly aboard a Czechoslovakian airliner... The Attorney General said the U.S. had no assurances how he'd be handled once we gets there. (NBC-Lead, ABC-Lead, CBS-2)

JAPANESE TRADE

Brokaw: Despite the stiff tariffs imposed by the United States last week on some Japanese goods, American officials insisted today that this trade dispute must not be allowed to blow-up into a trade war. But for now, neither side appears ready to back down.

NBC's Chris Wallace: American Trade Representative Yeutter was in Tokyo today telling Japanese officials the U.S. wants action, not more words to resolve the big trade imbalance. Japan's top priority, Yeutter said, should be to stimulate domestic demand -- a point Treasury Secretary Baker echoed on NBC's "Today" program.

(Secretary Baker: "Countries that are running major trade surpluses -- we'd like to see them stimulate their economies, adopt some supply-side economic measures which would permit them to grow more and absorb more imports.")

Japan had its own envoy in Washington with a different agenda. Former Foreign Minister Abe telling Vice President Bush the U.S. should lift those new 100 percent tariffs. Still with some in Congress demanding even tougher action, Bush indicated the issue will not be settled before Prime Minister Nakasone meets with the President here next week.

(Vice President Bush: "There's no lessening in our desire for free and fair trade.")

But a Commerce Department official resigned today, in part because he says the White House is caving in to protectionist pressures, blaming Japanese trade barriers when the real problem, he said, is U.S. companies just aren't aggressive about selling their goods overseas.

Brokaw continues:

(Gerald Marks: "We have a tendency to try to blame others for our problems. The fact is that we have met the enemy and he is us.")

At one electronics store today, most customers supported the tariff, but some said they will keep buying Japanese, even if prices go up.

(Mark Russilo, customer,: "We have to do things that are going to benefit our workers. I think we also have to try to get our industrialists to see that we have to build a better product.")

Under pressure from all sides then, the President has embarked on a delicate operation -- to be tough enough towards Japan to prevent Congress from getting even tougher, to fight selected trade battles in order to avoid an all-out trade war. (NBC-2, ABC-10)

Rather: United States trade protection is already taking it's toll on Japanese exporters and Congressional leaders now are predicting passage of more new trade barriers soon. But today in Tokyo, President Reagan's representatives made no progress in trying to get Japan to stop protecting it's own markets and reduce its trade surplus by taking more U.S. exports.

CBS's Barry Peterson: ...U.S. Trade Representative Yeutter and Agriculture Secretary Lyng insisted that American rice be sold here. They were met with smiles, handshakes and a firm no....

(Trade Representative Yeutter: "It is not protectionist in any sense of the word -- that is intended to be a temporary action.")

...Commerce Secretary Baldrige made it clear today that Korea may be the next target of American "get-tough" protectionism.

(Secretary Baldrige: "Our industries and our Congress are taking a much closer look at trade barriers and needless to say, they don't like what they see.")... (CBS-4)

LONETREE

ABC's JENNINGS: A key witness in the Marine embassy scandal is said to have changed his story. A lawyer for the first Marine arrested, Sgt. Clayton Lonetree, says the key witness against his client, a Marine corporal, has withdrawn his original statement that Lonetree allowed Soviet agents to roam around the embassy and without that testimony, said Lonetree's lawyer, the government doesn't have a case. There's been no comment from the Marines. (ABC-3, CBS-6)

JAPANESE AMERICANS

JENNINGS: There was another echo from WWII at the court today.

Not for the first time, Japanese Americans are trying to erase the losses which they suffered when they were unceremoniously rounded up and put in camps. Today some of those, in turn, and the descendants are suing the government for the property they lost when they were put behind the barbed wire.... (ABC-2, CBS-3)

PLO

Brokaw: In Algiers today, the PLO met to discuss new calls for a homeland and to show off renewed unity after three years of fighting each other, fighting the Israelis, the Amal and the Christian forces of Lebanon. The various factions of the PLO came together and they were all determined to sound the call to arms....

(NBC-2, ABC-4, CBS-7)

ABUL ABBAS

Brokaw: Abul Abbas is under indictment in this country for the highjacking of the Achille Lauro in 1985. The State Department, asked by NBC News if it would seek the extradition of Abbas from Algiers. The United States said it was not aware that Abbas was at that PLO conference.

(NBC-3)

ENVIRONMENT

Jennings: The beginning of another round today in the political battle about the environment. The Interior Secretary Donald Hodel has recommended that drilling for oil be allowed in the Arctic National Wildlife Refuge in Alaska. Those opposed, including 78 Congressmen and Senators, say drilling will threaten the wildlife there, particularly the caribou and that all development should be permanently banned....

(ABC-8, CBS-9)

MAXWELL TAYLOR

Jennings: General Maxwell Taylor has died. He was 85. General Taylor lead the 101st Airborne Division at the Invasion of Normandy during WWII. He later served as chairman of the joint chiefs of staff and as the U.S. Ambassador in South Vietnam. Defense Secretary Casper Weinberger said today that Taylor epitomize what it means to be a soldier, a diplomat and a scholar.

(NBC-5, ABC-6, CBS-8)

EDITORIALS/COLUMNISTS

ARMS CONTROL/SHULTZ'S TRIP TO MOSCOW

Is An Arms Control Deal 'At Hand'? -- "President Reagan has, paradoxically, been the most reluctant President since the beginning of serious arms control negotiations and the most successful in pressing the Soviet Union into concessions. These two things are related, but the time to capitalize upon President Reagan's success is rapidly coming to an end. Even from the Administration's point of view, it is better to cut the deal now than to leave it to a successor, who would have a hard time getting into the position in which President Reagan's is now to make an advantageous deal.... It is hard to believe that the next president will be as stubborn in this area as President Reagan has been.... President Reagan has a historic opportunity to strengthen the security of the United States and its European allies by pressing the arms control discussions to a successful conclusion. He should not let the romantics around him prevent him from taking it." (Chicago Tribune, 4/17)

Go For It! -- "So we urge the Reagan Administration to seize the opportunity, advanced during Secretary of State George Shultz's meeting with Mikhail Gorbachev, to draw down the two sides' medium- and short-range missiles in Europe.... Washington can find the courage not to fear an accord that would reverse the nuclear buildup -- the President's own goal." (The Christian Science Monitor, 4/17)

Coming Back To A Search For Enduring Peace -- "Reagan's PR experts would dress a U.S. summit as the millenium, so what's new? They did as much with the facelift of the Statue of Liberty. Manufacturing silk purses from sow's ears is their trade. Recently, they've been stoking the spy scare, trotting out the Gipper in righteous dudgeon much like that of the musical comedy Texas governor's discovery of a whorehouse. Bugging and sex traps are fixtures of the spook game. What's new is the way we're getting creamed at it on Reagan's watch.... The hope for arresting this melancholy chain is that it will force a rational debate on U.S.-Soviet relations in next year's campaign. We had a strategy once of maintaining security with one hand while searching with the other for ways to reduce nuclear armament and move toward enduring peace. We need to come home to that kind of common-sense pragmatism."

(Jim Fain, Atlanta Journal, 4/15)

'Proceeding' With Moscow -- "At Reykjavik, President Reagan had let himself be drawn unprepared into a wild bargaining session in which he moved on his own toward decisions affecting the allies' vital interests. A major crisis of confidence resulted. In leaving Mr. Gorbachev fretting and then flying off to Brussels, Mr. Shultz was conducting diplomacy the old-fashioned Atlantic way. Mr. Reagan usefully reinforced the point in his own statement yesterday afternoon.... On strategic defense in particular, a large gap remains. The Moscow talks, which covered spying, human rights and a range of other issues, bore out Mr. Reagan's recent characterization of Soviet-American relations as 'proceeding --no great cause for excitement, no great cause for alarm.' With everything, that's not so bad." (Washington Post, 4/16)

'What Are you Afraid Of?' -- "We assume that Secretary Shultz will assure the NATO ministers that there is nothing to be afraid of at all.... While Secretary Shultz was trading toasts in Moscow, in short, the Soviets were opening yet another merciless attack on Afghan civilians and a wholly new attempt to insert their tankers and navy into the oil-supply lines of Europe.... Implicitly the Reykjavik summit and the 'zero option' ask the European allies to take some responsibility for arms control. Instead of appeasing their domestic left demanding that President Reagan prove his 'sincerity,' the NATO leaders now must either accept or oppose an agreement they privately find distasteful. But the agreement would go away overnight if Helmut Kohl or Margaret Thatcher stood up in public and said it threatened national security. Why don't NATO leaders say in public what they say in private? As the Soviets asked, 'What are you afraid of?'"

(Wall Street Journal, 4/16)

Love The Bomb -- "A healthy respect for the bomb, an awareness of what it has allowed free society to become and gratitude for that, should be ever on the minds of those in and out of government who seem so eager to do away with it."

(Washington Times, 4/16)

Behind The Smoke, An Arms Deal -- "Wave away all the smoke and three points stand out -- two sides reaffirmed their virtual accord to destroy all medium-range missiles in Europe and retain 100 elsewhere; Mr. Gorbachev added a dramatic new element, elimination of all Soviet shorter-range missiles from Eastern Europe within one year; now that Moscow has offered more than Western leaders ever dreamed possible, the West should accept in principle and get on with negotiating the hard details of arms control."

(New York Times, 4/16)

Treatymania -- "Mr. Shultz may be having a simply mah'v'lous time, dollink, feeling very important, with the future security of the world resting on his broad and capable shoulders. What will the rest of us get out of al this folderol? A hope that someday maybe the United State and the Soviets will sign yet another arms control treaty that offers the false hope of reducing the nuclear danger -- and which both sides feel free to violate when they feel it will serve their interests? Spare us.... The process may provide low-grade entertainment for the rest of us, but as presently practiced it will reduce neither the number of weapons nor the amount of tension in the world. That reduction will occur when (if) the Soviets abandon aggressive intentions and the United States believes them. It may never happen. If it does, it will not be the result of signing a treaty."

(Orange County Register, 4/15)

Hope For Arms Control Treaty -- "A superpower arms deal may not be inevitable. But Secretary of State George Shultz' meetings with Soviet leader Mikhail Gorbachev, followed by conferences with European allies in Brussels and a briefing of President Reagan in Santa Barbara, do hold real hope that a treaty to remove medium-range nuclear missiles from Europe may be signed by the end of the year.... The Reagan Administration, however, should remain committed to the clear priority it outlined in a recently released national security strategy report: 'While the possible use of nuclear weapons must remain an element in our overall military strategy, nuclear forces should never be viewed as simply a lower-cost alternative to conventional weapons.' That principle should be recognized and supported by European leaders. The world community cannot afford failure at this stage."

(Dallas Times Herald, 4/17)

FOREIGN MEDIA REACTION

ARMS CONTROL

"If an accord is now within reach, it is partly because they have always given the impression of wanting one.... But now it seems that the possible disappearance of Euromissiles has again conjured up the specter of European-American 'decoupling' at a time when the USSR's advantage in conventional arms is greater than ever."

(Tribune de Geneve, Switzerland)

"NATO and the United States then said if and but to the agreement, requesting special verifications; Gorbachev accepted them.... NATO cannot turn back now...but it faces the devil's alternatives: either accept proposals and enter into a deep crisis of strategy reform, or reject them and enter into a political crisis and ensuing loss of confidence."

(El Pais, Spain)

"It is precisely the present Administration that has coarsely trampled on the temporary agreement on SALT I, and the SALT II Treaty.... It is precisely the Reagan Administration that does not stop undermining the ABM Treaty, which is regarded by the Pentagon as an obstacle on the way to the implementation of its Star Wars program."

(TASS, Soviet Union)

"Even when their interests coincide as they do now, these ideological antagonists can always cause unpleasant surprises.... Nevertheless, Shultz and Shevardnadze have made a significant, if not decisive, step which opens the door to the third and maybe most fruitful meeting of Reagan and Gorbachev."

(Nin, Yugoslavia)

"The success in the INF negotiations can expand the thawing in East-West relations and will benefit the Korean peninsula's political situation."

(Kyunghyang Shinmun, South Korea)

"Still they (the U.S. and Soviets) think the task to be finished is tough and heavy.... In a word, U.S.-Soviet relations have developed with ups and downs and will develop in the same manner in the future."

(People's Daily, China)

"On the face of it, the U.S. Secretary of State, Mr. George Shultz, has had a fairly successful visit to Moscow.... But in terms of substantive and propaganda advantage, one would have to say that the Russians clearly won this round."

(Straits Times', Singapore)

"There has been definite progress toward concluding an INF agreement between the two superpowers as well as on shorter intermediate-range missiles. It is indeed a welcome development, though some people may say that Moscow has stolen the show from Washington."

(Indonesia Times, Indonesia)

"The sheer scope of Gorbachev's offer...has taken Shultz by surprise and left him, in effect, without a brief."

(Hindustan Times, India)

"Reagan returns to Washington refreshed by a week's holiday and strengthened politically by the prospects of a third summit with Gorbachev."

(Gulf Times, Qatar)

-End of News Summary-



News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, APRIL 21, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action --
White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress.
(Washington Post, AP,
Newhouse, UPI)

Reagan Returns From Vacation, Talks Arms Control -- President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union.
(AP)

NATIONAL NEWS

Budget Bills Greet Returning Congress -- The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess.
(USA Today, Washington Times)

NETWORK NEWS (Monday Evening)

IRAN-CONTRA -- The U.S. Army was deeply involved in setting up a secret aid pipeline before Congress banned military aid.

LINNAS -- Accused Nazi Karl Linnas was deported to the Soviet Union.

JAPANESE TRADE -- American officials insisted that the current trade dispute with Japan must not erupt into a trade war.



"And somebody's been negotiating about MEDIUM range missiles."

INTERNATIONAL NEWS

JAPANESE ENVOY TO MEET WITH REAGAN TODAY

White House Chief of Staff Howard Baker urged a special Japanese envoy, former Foreign Minister Shintaro Abe, to bring fresh ideas for easing the growing trade frictions between the U.S. and Japan when he meets today with President Reagan.

Baker, speaking to reporters on Air Force One as Reagan returned to Washington from his California vacation, also dashed Japanese hopes that the trade sanctions the President ordered Friday would be lifted before Prime Minister Yasuhiro Nakasone arrives here April 29.

Abe, who arrived here Sunday night to pave the way for the Reagan-Nakasone summit, met with Vice President Bush, Secretary Weinberger and Secretary Shultz. But the major reason for his visit is his meeting with Reagan to deliver a plea against trade sanctions.

(Stuart Auerbach, Washington Post, D1)

U.S./Japan Trade Relations

White House Chief of Staff Howard Baker said he hopes Japanese Foreign Minister Shintaro Abe will share "some useful insights" with President Reagan on the trade tensions between the two nations.

Abe met with Vice President Bush and Bush said he was "convinced the matter can be resolved. I think the visit of Mr. Abe is a very important step. He will find we are not only determined but also want to see this matter resolved."

(UPI)

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action

White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress.

On the eve of President Reagan's meeting with Japanese Foreign Minister Shintaro Abe, Vice President Bush and Chief of Staff Howard Baker said they doubted the Japanese could win any quick reversal of the President's decision to impose \$300 million in punitive tariffs on Japanese electronic products.

The former Japanese foreign minister met with Bush Monday, then told reporters that "we should settle the matter through friendly talks, not through confrontation or sanctions or reprisals."

But Baker, talking to reporters accompanying Reagan back to Washington aboard Air Force One, said that Reagan's April 30 meeting with Nakasone ought to be more than just a friendship meeting.

(Merrill Hartson, AP)

Reagan Meets Today With Japanese Trade Emissary

The Administration, insisting on concrete action as proof of a commitment to fair trade, has placed the onus on Japan to call off a feud that has provoked \$300 million in U.S. tariffs on Japanese products.

Aware of that stance in his mission to pursue an end to the trade dispute, former Japanese Foreign Minister Shintaro Abe had an appointment today with President Reagan to plead the case for rescission of the retaliatory tariffs ordered last week on computers, power tools and color televisions.

Reagan was expected to stand firm on his insistence for "firm and continuing evidence" that Japan is abiding by an agreement on computer chip sales before repealing the tariffs, more politically symbolic than economically harmful.

As a result, White House officials said they expect the trade tussle to continue unabated for at least the next several weeks -- long enough to cast a shadow over the visit next week of Japanese Prime Minister Yasuhiro Nakasone.

Norman Sandler, UPI)

U.S./Japan Trade Relations

On both sides of the Pacific, the message from top Reagan Administration officials is the same -- No more Mr. Nice Guy -- as the U.S. keeps pressure on Japan to change its trading practices.

The tough new line was operating when Vice President Bush ushered former Japanese Foreign Minister SHintaro Abe into his office to discuss the imposition of \$300 million in tariffs on imports of Japanese computers, power tools and television sets in retaliation for Japan's reneging on an agreement not to sell computer chips at unfairly low prices.

The United States and Japan have "a very strong relationship," Bush said, but "we have a problem here."

Meanwhile, in Tokyo, U.S. Trade Representative Clayton Yeutter told Japanese Foreign Minister Tadashi Kuranari that Japan must do more to stimulate consumer demand and open its domestic market to American goods.

(Miles Benson, Newhouse)

Yeutter Sounds A Conciliatory Note, Says Trade Issue Should Not Hurt Relationship

OISO, Japan -- U.S. Trade Representative Clayton Yeutter said that Japan and the U.S. should not allow their dispute over semiconductors "to cloud our larger relationships."

Yeutter, who spoke to the seventh Shimoda Conference here, had prepared a stern speech to deliver to the group, but did not deliver it. Instead, he made remarks that appeared to be an attempt to defuse tensions between the nations, which reached a peak last Friday when President Reagan imposed \$300 million worth of tariffs against Japan for its alleged failure to conform to an agreement to prevent dumping of semiconductors.

In his prepared text, Yeutter warned that the dispute over semiconductors could be followed by similar harsh actions if the huge American trade deficit with Japan, nearly \$60 billion last year, is not reduced.

"When we sign agreements, we expect them to be fully implemented," Yeutter said in the prepared text. (Hobart Rowen, Washington Post, D1)

BALDRIGE WARNS ON TRADE

SEOUL, South Korea -- Commerce Secretary Malcolm Baldrige said that U.S. businesses "don't stand a chance" in nations with trade barriers, and he warned that the U.S. may close its markets accordingly.

The U.S. may one day say, "If your markets are closed, I'll close mine," Baldrige told the Korean Traders Association at the start of an 11-day trip to South Korea, China, Hong Kong and the Philippines. "It's not much more complicated than that."

Baldrige told the traders that "time is really a scarce commodity" in the American view of international trade because Congress is moving to enact protectionist legislation. (UPI story, Washington Post, D2)

CONGRESS/TRADE

Two powerful House leaders, who have been mighty adversaries in the past, are at odds again in a fight over whether to include a "protectionist" provision in pending trade legislation.

Neither House Speaker James Wright nor Rep. Dan Rostenkowski, chairman of the Ways and Means Committee, is commenting publicly on the dispute, but their forces are lobbying fiercely in anticipation of a full-fledged battle on the House floor later this month.

Arrayed on Rostenkowski's side are business, farm and consumer groups. Wright's backers come mainly from organized labor.

Their fight centers on an amendment by Rep. Richard Gephardt that would require strong government action to reduce the U.S. trade imbalances with Japan, Taiwan and South Korea.

(Paula Schwed, Newhouse)

TRADE OFFICIAL QUILTS, RAPS POLICY

CHICAGO -- A federal export specialist, saying he is dismayed by U.S. trade retaliation against Japan, announced that he will resign as director of the Chicago office of the Commerce Department's U.S. and Foreign Commercial Service.

Gerald Marks, a 17-year veteran of the service, called Reagan Administration trade policy "myopic at best, dangerous to the world trading structure at worst."

Marks faulted trade officials, the Administration, and congressional leaders for asserting that "our trade problems would be resolved if the Japanese would simply remove all barriers. This is offering false promise to the nation."

(Kevin Klose, Washington Post, A17)

REAGAN RETURNS FROM VACATION, TALKS ARMS CONTROL

President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union.

Besides meeting with top Democratic and Republican leaders this week, Reagan is expected to give instructions to his arms negotiators, who will start a new round of U.S.-Soviet talks in Geneva on Thursday.

Reagan said over the weekend that while significant issues still divide the superpowers, "our negotiators will intensify their efforts to clear them away when talks resume in Geneva." (Susanne Schafer, AP)

SEN. BAKER/SUMMIT PROSPECTS

President Reagan's Chief of Staff said he believed any summit meeting with Kremlin Chief Gorbachev would be designed to resolve outstanding problems and lead to an arms control accord.

"If there is a summit, my guess would be that final resolution of important issues would come out of that summit and it would not be an acting out of agreements already made," White House Chief of Staff Howard Baker told reporters.

Baker, speaking as he accompanied Reagan back to Washington from a California vacation, said it appeared both sides wanted a summit to conduct "useful business."

"I take that to mean the completion of important agreements between our two countries. I think a summit, if one is held, will be more than a formality. I think the answer to many issues that divide us will finally have to be made by the two heads of government," Baker said.

(Michael Battye, Reuter)

WRIGHT SEES BEST HOPES FOR SUPERPOWER ARMS CONTROL IN YEARS

House Speaker Jim Wright, returning from the Soviet Union, said the U.S. and the Kremlin have the best opportunity in generations to forge a nuclear arms control agreement.

"I have the feeling that there seems to be the best opportunity that has existed probably since the Russian Revolution for bringing about a mutually acceptable arms agreement that would be to our advantage," Wright said after arriving at Andrews Air Force Base.

But despite his guarded optimism, Wright declined to derail a move in the House to attach some arms control proposals that are unpopular with President Reagan to a major spending bill. One of the proposals includes calling on the Administration to uphold the unratified 1979 arms control agreement with Moscow regarding cruise missiles. Reagan successfully appealed to the House last fall to delete this proposal before he met Gorbachev in Iceland for arms control discussions.

(Michael Myers, UPI)

House Speaker Predicts Approval Of Two Arms Control Proposals

The House will approve two arms control proposals this week despite Reagan Administration fears that they will hamper U.S.-Soviet negotiations and the possibility that an arms agreement is "quite near," says Speaker Jim Wright.

The Texas Democrat, who returned Monday night from meetings with Soviet leader Gorbachev and other high-ranking officials, said "we have the impression that they are quite near to an accord," referring to both nations.

However, Wright said "it will be my guess that the House will pass" the restrictions when it considers a spending bill later this week.

(Tim Ahern, AP)

STATEMENT AGAINST MARINE IS SAID TO BE RECANTED Lonetree Lawyer Says Witness Threatened

A key witness has recanted his statement that Marine Sgt. Clayton Lonetree allowed Soviet agents to roam the U.S. Embassy in Moscow, Lonetree's lawyer said.

Attorney Michael Stuhff said Cpl. Robert Williams, one of six Marines brought home last week for questioning, told him that Naval Investigative Service agents had threatened him when he made the statement.

Stuhff said Williams' decision to repudiate the testimony leaves the government without a case.

(Washington Post, A4)

SALE OF COMPUTERS TO IRAN IS ALLOWED

The Reagan Administration decided late last week to permit the shipment of a \$900,000 computer system to Iran, overriding the objections of Defense Secretary Weinberger, according to government and industry sources.

The decision was made by the National Security Council. It mediated the dispute between Weinberger, who vigorously opposed the sale of any equipment to Iran, and the Commerce and State Departments, which urged that the transaction go ahead.

(David Sanger, New York Times, D1)

ACCUSED NAZI IS DEPORTED

Karl Linnas Sent To Soviet Union To Face Execution

Accused Nazi war criminal Karl Linnas was deported yesterday to the Soviet Union, where he faces a death sentence for his World War II role as head of an Estonian concentration camp where 12,000 people were killed.

The Supreme Court cleared the way yesterday for Linnas' expulsion, voting 6 to 3 to deny his request of a delay, effectively ending his five-year struggle to remain in this country. The justices issued no opinion with their vote.

The Linnas case triggered a battle that split the Reagan Administration and pitted the Jewish and East European communities against one another.

Justice Department attorneys had demanded his deportation, while Patrick Buchanan, former White House communications director, publicly protested sending a U.S. resident to face Soviet justice.

(Al Kamen & Mary Thornton, Washington Post, A1)

U.S. MUST ACT IF CONTRAS FAIL, CALERO IS QUOTED

TEGUCIGALPA, Honduras -- The leader of the major U.S.-backed Nicaraguan rebel army was quoted as saying that the U.S. would have to invade Nicaragua if the contras fail to oust the Sandinista government.

"We should avoid at all costs that the North American government takes direct action in the liberation of Nicaragua, but the U.S. will have to act if we do not achieve our aims," Adolfo Calero, head of the Nicaraguan Democratic Force was quoted as saying.

In Washington, Attorney General Edwin Meese said that it is "absolutely necessary" that Congress continue the flow of funds to the rebels.

"This is not just an issue about the contras," Meese told a convention of the Daughters of the American Revolution. "The real issue is, will we allow Nicaragua to become another Cuba, another bastion of the Soviet Union in our hemisphere?"
(Baltimore Sun, A4)

ARMY COMMANDER IN ARGENTINA QUILTS IN WAKE OF REVOLT

BUENOS AIRES -- Less than 24 hours after a rebellion of infantry officers ended peacefully, Argentina's Army Chief of Staff resigned, paving the way for a shake-up of the entire army high command.

President Raul Alfonsin, who personally intervened to persuade the officers to surrender, temporarily named his civilian defense minister, Horacio Juanarena, to replace Gen. Hector Rios Erenu as head of the army.

Within the next few days the president is expected to force the retirement of many senior generals and colonels in the hope of ending unrest within military ranks over the trials of 280 officers charged with past human rights abuses.
(Alan Riding, New York Times, A1)

PLO SIGNALS HARD LINE AT GATHERING Moves Toward Reunification Deal Double Blow To U.S. Policy

ALGIERS -- After four divided years, most of the Palestine Liberation Organization met under the same roof as a parliament-in-exile, in a move toward reunification that also involves a realignment of PLO relations within the Arab world and hardens their terms for peace in the Middle East.

Beyond the rhetoric-filled speeches delivered during today's opening session, the PLO's move toward reunification appeared to abruptly upend U.S.-backed efforts by Israel and Jordan's King Hussein to undermine Arafat's leadership of the 1.3 million Palestinians who live in the territories occupied by Israel.

At the same time, the PLO's unity platform is solidly aligned with efforts by the Soviet Union, among other nations, in pushing for an international peace conference on the Middle East under terms that have been staunchly opposed by the U.S. and Israel.

(Patrick Tyler, Washington Post, A1)

NATIONAL NEWS

CONGRESS RETURNS TO FACE ARMS, BUDGET, IRAN AFFAIR

Arms control, the federal budget and immunity for a key figure in the Iran-contra affair will top the agenda when Congress resumes work today after a weeklong recess.

The House is scheduled to start work tomorrow on an \$11.3 billion supplemental appropriations bill for 1987. The measure, which includes two controversial Democratic arms control proposals, sets up a major confrontation with the White House.

The Administration has warned that the bill, if approved with the proposed amendments, may be vetoed by President Reagan, who returned to Washington after an 11-day vacation in California.

In upcoming days, the President is expected to meet with Republican and Democratic leaders to brief them on last week's talks in Moscow between Secretary Shultz and Soviet leader Gorbachev.

(Jennifer Spevacek, Washington Times, A4)

Budget Bills Greet Returning Congress

The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess.

The House debates arms control -- amendments banning all but the smallest nuclear tests and requiring U.S. adherence to the SALT II Treaty.

Chief of Staff Howard Baker, on his way back from California Monday, said he didn't know "any way to stop the House" from backing the ban.

But he added: "It's a sensitive time and I believe the Congress will give the President the latitude to pursue these (arms control) matters."

The White House also complains the House budget bill cuts its defense and foreign aid requests by \$4.7 billion, while boosting domestic spending. But the bill is \$1.2 billion smaller than Reagan's request.

(Fred Anklaam & Bob Minzesheimer, USA Today, A4)

MAJORITY OF AMERICANS FAVOR 'STAR WARS' PLAN

Most Americans are in favor of President Reagan's "Star Wars" program to develop a missile defense system although many mistakenly believe that the U.S. already has weapons to defend against a nuclear attack, according to a poll released yesterday.

The survey of 1,004 Americans was commissioned by the Committee on the Present Danger, a Washington-based organization.

Of those polled, 64 percent said that "the U.S. currently has a system to defend against nuclear missile attack," while 31 percent thought that statement was false and 4 percent said they did not know.

Seventy-four percent of those polled said they favored deploying an anti-missile system in the U.S. with 19 percent opposed and 7 percent with no opinion, the poll said.

The Committee on the Present Danger has been a consistent advocate for "Star Wars" and for higher levels of defense spending.

(AP story, Washington Times, A8)

CALIFORNIA AN SDI SUPERSTAR State Has Nearly half Of Project's Contracts

Nearly half of the \$10.9 billion in contracts signed so far for "Star Wars" antiballistic missile defense research have gone to companies and laboratories in California, according to a private study released Sunday.

The report by the Federation of American Scientists, an organization that has frequently criticized SDI, found that since 1983, when President Reagan launched the program, California has won Star Wars contracts worth \$4.9 billion, or 45.1 percent of the total, with Los Angeles winning 054 contracts worth \$2.6 billion and the San Francisco area winning 234 deals worth \$1.9 billion.

(AP story, Washington Post, A17)

MEESE TALKS TO FBI ABOUT WEDTECH

Attorney General Meese was interrogated by two FBI agents Friday about his knowledge of Wedtech Corp., a New York company under criminal investigation.

During the interview, Meese was told he was not the target of a criminal probe, according to a high-ranking Justice Department source.

"They specifically told him he was not under investigation," said the source. "He was absolutely not read his rights or told to prepare a defense."

(Michael Hedges, Washington Times, A1)

OIL HUNT URGED IN ARCTIC REFUGE Environmentalists Oppose Interior Dept. Plan; Hill Fight Seen

Interior Secretary Donald Hodel recommended that Congress open an Alaska wildlife refuge to oil drilling, saying potential oil resources there are "vital to our national security."

Hodel said he believes that 1.5 million acres of the Arctic National Wildlife Refuge's coastal plain could be developed without causing significant environmental damage or harming the caribou, musk oxen or other wildlife for which the refuge was set aside.

The recommendation is expected to face major opposition, however. House Interior Committee Chairman Morris Udall has joined more than 70 House colleagues in supporting a bill that would declare the area wilderness off-limits to drilling.

(Cass Peterson, Washington Post, A8)

HETEROSEXUAL AIDS MAY SURGE, KOOP SAYS Estimate Of U.S. Infection Rate Seen Too Low

The AIDS epidemic may be "on the threshold" of accelerating its spread among heterosexuals in the U.S., according to U.S. Surgeon General C. Everett Koop.

The coming year's statistics could show whether the disease will "explode" among heterosexuals as it did among homosexual males in the early 1980s, Koop said.

(Susan Okie, Washington Post, A4)

IRAN — NICARAGUA

IRAN-CONTRA TESTIMONY TALKS CALLED AT 'CRITICAL POINT'

Congressional investigators are "at a critical point" in negotiations with a key figure in the Iran-contra money trail and have been talking with another who so far has taken the Fifth Amendment, the chairman of the House panel investigating the affair said.

With little prospect of getting records through Swiss banks or the Swiss government, Rep. Lee Hamilton said congressional investigators hoped that Albert Hakim, the Iranian-born partner of retired Maj. Gen. Richard Secord, will -- along with others -- "provide access to some of the bank records -- whether all, I don't know."

Hakim, whom the lawmaker called "the financial guy" in a team that played key roles in the Iran arms sales and in providing supplies to Nicaraguan rebels, remains out of the country. Investigators do not know if he will appear as a witness, but Hamilton said he thought negotiations with Hakim's lawyers would be resolved soon.

(Mark Matthews, Baltimore Sun, A1)

RAFSANJANI: RELATIONS TURN ON U.S. POLICY Iranian Says Washington Broke Promise

TEHRAN -- Iran's relations with the U.S. need not remain poor until "doomsday," but the U.S. must first curb its support for Israel and give up its "mischievous" acts against Iran, the powerful speaker of Iran's parliament said.

In detailed and wide-ranging comments on the Iran-arms affair, Speaker Rafsanjani said at a news conference that "more...hostages would have been released" if the U.S. "had kept (its) word" with Iran during what he called "the short period" of secret contacts between the two countries.

Rafsanjani specifically complained that the U.S. had overcharged Iran for weapons, and had let Israel become involved in the affair "even though it (the U.S.) knows we hate Israel." He also reiterated that his government is still willing to use its influence with radical groups in Lebanon to free western hostages if the U.S. drops its "hostile attitude" toward Iran and releases frozen Iranian assets.

(Robert McCartney, Washington Post, A21)

CONTRA BANKING NETWORK PREDATES FALL OF SOMOZA Cayman Islands Account Is A Focus Of Probes

The secret financial network used by the Nicaraguan rebels to receive and distribute tens of millions of dollars in donations after the cutoff of U.S. military aid initially was set up in 1977 to hide the money transferred abroad by wealthy Nicaraguans fearful of a Sandinista victory, Miami banking sources say.

According to the sources, the contra network used the same Cayman Islands bank -- Banco do America Central (BAC) -- the same system of Miami "pass-through" accounts and Panamanian shell companies, and perhaps some of the same advisers. (Dan Morgan, Washington Post, A1)

NETWORK NEWS SUMMARY

(Monday Evening, April 20, 1987)

IRAN-CONTRA

CBS's Dan Rather: Did the Department of Defense help circumvent Congress and the law as part of the weapons for contras deal? The Pentagon is the target tonight of new questions about the scandal. Up to now, investigations of secret aid to the Nicaraguan rebels have focused on the White House and the CIA. But CBS News has now confirmed that the U.S. Army was also deeply involved setting up a secret pipeline even before Congress banned military aid to the contras in 1984.

CBS's David Martin: In 1983 a secret Army unit operating out of this office building in the suburbs of Washington opened an account at the Credit Swiss Bank in Geneva, Switzerland. Two years later, two and a half million dollars was withdrawn from the Army's secret account in just one day. \$75,000 of that was used to...carry arms to the contras at a time when U.S. military aid was barred by law. Bank records show two of the people authorized to withdraw money from that Army account were Oliver North and Richard Secord -- key figures in the sale of arms to Iran and the alleged diversion of money to the contras. Until now, the Pentagon has insisted its only role in the affair was to provide the weapons which were sold to Iran. The existence of this account opens up an entirely new and previously unsuspected connection between the Pentagon and the secret operations of Oliver North -- records which might explain who in the Army authorized the account and why either never existed or have since disappeared. However, two sources say it appears the account was set up in anticipation of a Congressional cut-off of aid to the contras. In addition to North and Secord, at least two other names appear on the account -- William Golden, an Army intelligence officer who worked for Business Security International, a front company used by the Army to support secret operations; Joel Patterson, a civilian who also worked for Business Security International. Patterson is known in intelligence circles as an expert in the secret movement of funds. He denies any knowledge of the Swiss bank account.

(Joel Patterson: "Most ridiculous thing I've ever heard. Really I have no more to say other than that.")

The Army initially said it had no evidence that such a bank account existed, but after CBS News provided the account number, the Army began an inquiry which has now been taken over by the special prosecutor investigating the Iran-contra affair. (CBS-Lead)

LINNAS

NBC's Tom Brokaw: Is he a Nazi war criminal guilty of killing 2,000 people at a concentration camp or is he the victim of a Soviet judicial system determined to punish him for his anti-Communist views? His name is Karl Linnas and tonight he is scheduled to be deported from the United States, sent back to the Soviet Union where he has already been sentenced to death.

-more-

Brokaw (continues): Linnas as been living in this country as a citizen since 1959, but the U.S. Supreme Court ruled today he can stay here no longer.

NBC's Carl Stern: Linnas was whisked to New York's Kennedy airport just hours after the Supreme Court cleared the way for his deportation. He called it kidnapping and murder.... In court Linnas' lawyer had argued that the Justice Department was caving in to Soviet demands to expedition and that Linnas was not a mass murderer as the Soviets claimed. But Justice Department lawyers said there was plenty of evidence that Linnas lied about his Nazi past when he entered the U.S. after the war.... Anti-Communist groups and some notable conservatives, including Patrick Buchanan and William Buckley contended the Russians had made up the evidence to get at Linnas for being an anti-Communist. They said the U.S. should not be showing respect for Soviet justice.

(Attorney General Meese: "Our responsibilities under the law are to deport him. This is the order of the court and we have the obligation to carry that out.")

Linnas was scheduled to fly aboard a Czechoslovakian airliner... The Attorney General said the U.S. had no assurances how he'd be handled once we gets there. (NBC-Lead, ABC-Lead, CBS-2)

JAPANESE TRADE

Brokaw: Despite the stiff tariffs imposed by the United States last week on some Japanese goods, American officials insisted today that this trade dispute must not be allowed to blow-up into a trade war. But for now, neither side appears ready to back down.

NBC's Chris Wallace: American Trade Representative Yeutter was in Tokyo today telling Japanese officials the U.S. wants action, not more words to resolve the big trade imbalance. Japan's top priority, Yeutter said, should be to stimulate domestic demand -- a point Treasury Secretary Baker echoed on NBC's "Today" program.

(Secretary Baker: "Countries that are running major trade surpluses -- we'd like to see them stimulate their economies, adopt some supply-side economic measures which would permit them to grow more and absorb more imports.")

Japan had its own envoy in Washington with a different agenda. Former Foreign Minister Abe telling Vice President Bush the U.S. should lift those new 100 percent tariffs. Still with some in Congress demanding even tougher action, Bush indicated the issue will not be settled before Prime Minister Nakasone meets with the President here next week.

(Vice President Bush: "There's no lessening in our desire for free and fair trade.")

But a Commerce Department official resigned today, in part because he says the White House is caving in to protectionist pressures, blaming Japanese trade barriers when the real problem, he said, is U.S. companies just aren't aggressive about selling their goods overseas.

Brokaw continues:

(Gerald Marks: "We have a tendency to try to blame others for our problems. The fact is that we have met the enemy and he is us.")

At one electronics store today, most customers supported the tariff, but some said they will keep buying Japanese, even if prices go up.

(Mark Russilo, customer,: "We have to do things that are going to benefit our workers. I think we also have to try to get our industrialists to see that we have to build a better product.")

Under pressure from all sides then, the President has embarked on a delicate operation -- to be tough enough towards Japan to prevent Congress from getting even tougher, to fight selected trade battles in order to avoid an all-out trade war. (NBC-2, ABC-10)

Rather: United States trade protection is already taking it's toll on Japanese exporters and Congressional leaders now are predicting passage of more new trade barriers soon. But today in Tokyo, President Reagan's representatives made no progress in trying to get Japan to stop protecting it's own markets and reduce its trade surplus by taking more U.S. exports.

CBS's Barry Peterson: ...U.S. Trade Representative Yeutter and Agriculture Secretary Lyng insisted that American rice be sold here. They were met with smiles, handshakes and a firm no....

(Trade Representative Yeutter: "It is not protectionist in any sense of the word -- that is intended to be a temporary action.")

...Commerce Secretary Baldrige made it clear today that Korea may be the next target of American "get-tough" protectionism.

(Secretary Baldrige: "Our industries and our Congress are taking a much closer look at trade barriers and needless to say, they don't like what they see.")... (CBS-4)

LONETREE

ABC's JENNINGS: A key witness in the Marine embassy scandal is said to have changed his story. A lawyer for the first Marine arrested, Sgt. Clayton Lonetree, says the key witness against his client, a Marine corporal, has withdrawn his original statement that Lonetree allowed Soviet agents to roam around the embassy and without that testimony, said Lonetree's lawyer, the government doesn't have a case. There's been no comment from the Marines. (ABC-3, CBS-6)

JAPANESE AMERICANS

JENNINGS: There was another echo from WWII at the court today.

Not for the first time, Japanese Americans are trying to erase the losses which they suffered when they were unceremoniously rounded up and put in camps. Today some of those, in turn, and the descendants are suing the government for the property they lost when they were put behind the barbed wire.... (ABC-2, CBS-3)

PLO

Brokaw: In Algiers today, the PLO met to discuss new calls for a homeland and to show off renewed unity after three years of fighting each other, fighting the Israelis, the Amal and the Christian forces of Lebanon. The various factions of the PLO came together and they were all determined to sound the call to arms....

(NBC-2, ABC-4, CBS-7)

ABUL ABBAS

Brokaw: Abul Abbas is under indictment in this country for the highjacking of the Achille Lauro in 1985. The State Department, asked by NBC News if it would seek the extradition of Abbas from Algiers. The United States said it was not aware that Abbas was at that PLO conference.

(NBC-3)

ENVIRONMENT

Jennings: The beginning of another round today in the political battle about the environment. The Interior Secretary Donald Hodel has recommended that drilling for oil be allowed in the Arctic National Wildlife Refuge in Alaska. Those opposed, including 78 Congressmen and Senators, say drilling will threaten the wildlife there, particularly the caribou and that all development should be permanently banned....

(ABC-8, CBS-9)

MAXWELL TAYLOR

Jennings: General Maxwell Taylor has died. He was 85. General Taylor lead the 101st Airborne Division at the Invasion of Normandy during WWII. He later served as chairman of the joint chiefs of staff and as the U.S. Ambassador in South Vietnam. Defense Secretary Casper Weinberger said today that Taylor epitomize what it means to be a soldier, a diplomat and a scholar.

(NBC-5, ABC-6, CBS-8)

EDITORIALS/COLUMNISTS

ARMS CONTROL/SHULTZ'S TRIP TO MOSCOW

Is An Arms Control Deal 'At Hand'? -- "President Reagan has, paradoxically, been the most reluctant President since the beginning of serious arms control negotiations and the most successful in pressing the Soviet Union into concessions. These two things are related, but the time to capitalize upon President Reagan's success is rapidly coming to an end. Even from the Administration's point of view, it is better to cut the deal now than to leave it to a successor, who would have a hard time getting into the position in which President Reagan's is now to make an advantageous deal.... It is hard to believe that the next president will be as stubborn in this area as President Reagan has been.... President Reagan has a historic opportunity to strengthen the security of the United States and its European allies by pressing the arms control discussions to a successful conclusion. He should not let the romantics around him prevent him from taking it." (Chicago Tribune, 4/17)

Go For It! -- "So we urge the Reagan Administration to seize the opportunity, advanced during Secretary of State George Shultz's meeting with Mikhail Gorbachev, to draw down the two sides' medium- and short-range missiles in Europe.... Washington can find the courage not to fear an accord that would reverse the nuclear buildup -- the President's own goal." (The Christian Science Monitor, 4/17)

Coming Back To A Search For Enduring Peace -- "Reagan's PR experts would dress a U.S. summit as the millenium, so what's new? They did as much with the facelift of the Statue of Liberty. Manufacturing silk purses from sow's ears is their trade. Recently, they've been stoking the spy scare, trotting out the Gipper in righteous dudgeon much like that of the musical comedy Texas governor's discovery of a whorehouse. Bugging and sex traps are fixtures of the spook game. What's new is the way we're getting creamed at it on Reagan's watch.... The hope for arresting this melancholy chain is that it will force a rational debate on U.S.-Soviet relations in next year's campaign. We had a strategy once of maintaining security with one hand while searching with the other for ways to reduce nuclear armament and move toward enduring peace. We need to come home to that kind of common-sense pragmatism."

(Jim Fain, Atlanta Journal, 4/15)

'Proceeding' With Moscow -- "At Reykjavik, President Reagan had let himself be drawn unprepared into a wild bargaining session in which he moved on his own toward decisions affecting the allies' vital interests. A major crisis of confidence resulted. In leaving Mr. Gorbachev fretting and then flying off to Brussels, Mr. Shultz was conducting diplomacy the old-fashioned Atlantic way. Mr. Reagan usefully reinforced the point in his own statement yesterday afternoon.... On strategic defense in particular, a large gap remains. The Moscow talks, which covered spying, human rights and a range of other issues, bore out Mr. Reagan's recent characterization of Soviet-American relations as 'proceeding --no great cause for excitement, no great cause for alarm.' With everything, that's not so bad." (Washington Post, 4/16)

'What Are you Afraid Of?' -- "We assume that Secretary Shultz will assure the NATO ministers that there is nothing to be afraid of at all.... While Secretary Shultz was trading toasts in Moscow, in short, the Soviets were opening yet another merciless attack on Afghan civilians and a wholly new attempt to insert their tankers and navy into the oil-supply lines of Europe.... Implicitly the Reykjavik summit and the 'zero option' ask the European allies to take some responsibility for arms control. Instead of appeasing their domestic left demanding that President Reagan prove his 'sincerity,' the NATO leaders now must either accept or oppose an agreement they privately find distasteful. But the agreement would go away overnight if Helmut Kohl or Margaret Thatcher stood up in public and said it threatened national security. Why don't NATO leaders say in public what they say in private? As the Soviets asked, 'What are you afraid of?'" (Wall Street Journal, 4/16)

Love The Bomb -- "A healthy respect for the bomb, an awareness of what it has allowed free society to become and gratitude for that, should be ever on the minds of those in and out of government who seem so eager to do away with it." (Washington Times, 4/16)

Behind The Smoke, An Arms Deal -- "Wave away all the smoke and three points stand out -- two sides reaffirmed their virtual accord to destroy all medium-range missiles in Europe and retain 100 elsewhere; Mr. Gorbachev added a dramatic new element, elimination of all Soviet shorter-range missiles from Eastern Europe within one year; now that Moscow has offered more than Western leaders ever dreamed possible, the West should accept in principle and get on with negotiating the hard details of arms control." (New York Times, 4/16)

Treatymania -- "Mr. Shultz may be having a simply mah'v'lous time, dollink, feeling very important, with the future security of the world resting on his broad and capable shoulders. What will the rest of us get out of al this folderol? A hope that someday maybe the United State and the Soviets will sign yet another arms control treaty that offers the false hope of reducing the nuclear danger -- and which both sides feel free to violate when they feel it will serve their interests? Spare us.... The process may provide low-grade entertainment for the rest of us, but as presently practiced it will reduce neither the number of weapons nor the amount of tension in the world. That reduction will occur when (if) the Soviets abandon aggressive intentions and the United States believes them. It may never happen. If it does, it will not be the result of signing a treaty." (Orange County Register, 4/15)

Hope For Arms Control Treaty -- "A superpower arms deal may not be inevitable. But Secretary of State George Shultz' meetings with Soviet leader Mikhail Gorbachev, followed by conferences with European allies in Brussels and a briefing of President Reagan in Santa Barbara, do hold real hope that a treaty to remove medium-range nuclear missiles from Europe may be signed by the end of the year.... The Reagan Administration, however, should remain committed to the clear priority it outlined in a recently released national security strategy report: 'While the possible use of nuclear weapons must remain an element in our overall military strategy, nuclear forces should never be viewed as simply a lower-cost alternative to conventional weapons.' That principle should be recognized and supported by European leaders. The world community cannot afford failure at this stage." (Dallas Times Herald, 4/17)

FOREIGN MEDIA REACTION

ARMS CONTROL

"If an accord is now within reach, it is partly because they have always given the impression of wanting one.... But now it seems that the possible disappearance of Euromissiles has again conjured up the specter of European-American 'decoupling' at a time when the USSR's advantage in conventional arms is greater than ever."

(Tribune de Geneve, Switzerland)

"NATO and the United States then said if and but to the agreement, requesting special verifications; Gorbachev accepted them.... NATO cannot turn back now...but it faces the devil's alternatives: either accept proposals and enter into a deep crisis of strategy reform, or reject them and enter into a political crisis and ensuing loss of confidence."

(El Pais, Spain)

"It is precisely the present Administration that has coarsely trampled on the temporary agreement on SALT I, and the SALT II Treaty.... It is precisely the Reagan Administration that does not stop undermining the ABM Treaty, which is regarded by the Pentagon as an obstacle on the way to the implementation of its Star Wars program."

(TASS, Soviet Union)

"Even when their interests coincide as they do now, these ideological antagonists can always cause unpleasant surprises.... Nevertheless, Shultz and Shevardnadze have made a significant, if not decisive, step which opens the door to the third and maybe most fruitful meeting of Reagan and Gorbachev."

(Nin, Yugoslavia)

"The success in the INF negotiations can expand the thawing in East-West relations and will benefit the Korean peninsula's political situation."

(Kyunghyang Shinmun, South Korea)

"Still they (the U.S. and Soviets) think the task to be finished is tough and heavy.... In a word, U.S.-Soviet relations have developed with ups and downs and will develop in the same manner in the future."

(People's Daily, China)

"On the face of it, the U.S. Secretary of State, Mr. George Shultz, has had a fairly successful visit to Moscow.... But in terms of substantive and propaganda advantage, one would have to say that the Russians clearly won this round."

(Straits Times', Singapore)

"There has been definite progress toward concluding an INF agreement between the two superpowers as well as on shorter intermediate-range missiles. It is indeed a welcome development, though some people may say that Moscow has stolen the show from Washington."

(Indonesia Times, Indonesia)

"The sheer scope of Gorbachev's offer...has taken Shultz by surprise and left him, in effect, without a brief."

(Hindustan Times, India)

"Reagan returns to Washington refreshed by a week's holiday and strengthened politically by the prospects of a third summit with Gorbachev."

(Gulf Times, Qatar)

-End of News Summary-



News Summary

OFFICE OF THE PRESS SECRETARY

TUESDAY, APRIL 21, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action --
White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress.
(Washington Post, AP, Newhouse, UPI)

Reagan Returns From Vacation, Talks Arms Control -- President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union.
(AP)

NATIONAL NEWS

Budget Bills Greet Returning Congress -- The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess.
(USA Today, Washington Times)

NETWORK NEWS (Monday Evening)

IRAN-CONTRA -- The U.S. Army was deeply involved in setting up a secret aid pipeline before Congress banned military aid.

LINNAS -- Accused Nazi Karl Linnas was deported to the Soviet Union.

JAPANESE TRADE -- American officials insisted that the current trade dispute with Japan must not erupt into a trade war.



"And somebody's been negotiating about MEDIUM range missiles."

INTERNATIONAL NEWS

JAPANESE ENVOY TO MEET WITH REAGAN TODAY

White House Chief of Staff Howard Baker urged a special Japanese envoy, former Foreign Minister Shintaro Abe, to bring fresh ideas for easing the growing trade frictions between the U.S. and Japan when he meets today with President Reagan.

Baker, speaking to reporters on Air Force One as Reagan returned to Washington from his California vacation, also dashed Japanese hopes that the trade sanctions the President ordered Friday would be lifted before Prime Minister Yasuhiro Nakasone arrives here April 29.

Abe, who arrived here Sunday night to pave the way for the Reagan-Nakasone summit, met with Vice President Bush, Secretary Weinberger and Secretary Shultz. But the major reason for his visit is his meeting with Reagan to deliver a plea against trade sanctions.

(Stuart Auerbach, Washington Post, D1)

U.S./Japan Trade Relations

White House Chief of Staff Howard Baker said he hopes Japanese Foreign Minister Shintaro Abe will share "some useful insights" with President Reagan on the trade tensions between the two nations.

Abe met with Vice President Bush and Bush said he was "convinced the matter can be resolved. I think the visit of Mr. Abe is a very important step. He will find we are not only determined but also want to see this matter resolved."

(UPI)

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action

White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress.

On the eve of President Reagan's meeting with Japanese Foreign Minister Shintaro Abe, Vice President Bush and Chief of Staff Howard Baker said they doubted the Japanese could win any quick reversal of the President's decision to impose \$300 million in punitive tariffs on Japanese electronic products.

The former Japanese foreign minister met with Bush Monday, then told reporters that "we should settle the matter through friendly talks, not through confrontation or sanctions or reprisals."

But Baker, talking to reporters accompanying Reagan back to Washington aboard Air Force One, said that Reagan's April 30 meeting with Nakasone ought to be more than just a friendship meeting.

(Merrill Hartson, AP)

Reagan Meets Today With Japanese Trade Emissary

The Administration, insisting on concrete action as proof of a commitment to fair trade, has placed the onus on Japan to call off a feud that has provoked \$300 million in U.S. tariffs on Japanese products.

Aware of that stance in his mission to pursue an end to the trade dispute, former Japanese Foreign Minister Shintaro Abe had an appointment today with President Reagan to plead the case for rescission of the retaliatory tariffs ordered last week on computers, power tools and color televisions.

Reagan was expected to stand firm on his insistence for "firm and continuing evidence" that Japan is abiding by an agreement on computer chip sales before repealing the tariffs, more politically symbolic than economically harmful.

As a result, White House officials said they expect the trade tussle to continue unabated for at least the next several weeks -- long enough to cast a shadow over the visit next week of Japanese Prime Minister Yasuhiro Nakasone.

Norman Sandler, UPI)

U.S./Japan Trade Relations

On both sides of the Pacific, the message from top Reagan Administration officials is the same -- No more Mr. Nice Guy -- as the U.S. keeps pressure on Japan to change its trading practices.

The tough new line was operating when Vice President Bush ushered former Japanese Foreign Minister SHintaro Abe into his office to discuss the imposition of \$300 million in tariffs on imports of Japanese computers, power tools and television sets in retaliation for Japan's renegeing on an agreement not to sell computer chips at unfairly low prices.

The United States and Japan have "a very strong relationship," Bush said, but "we have a problem here."

Meanwhile, in Tokyo, U.S. Trade Representative Clayton Yeutter told Japanese Foreign Minister Tadashi Kuranari that Japan must do more to stimulate consumer demand and open its domestic market to American goods.

(Miles Benson, Newhouse)

Yeutter Sounds A Conciliatory Note, Says Trade Issue Should Not Hurt Relationship

OISO, Japan -- U.S. Trade Representative Clayton Yeutter said that Japan and the U.S. should not allow their dispute over semiconductors "to cloud our larger relationships."

Yeutter, who spoke to the seventh Shimoda Conference here, had prepared a stern speech to deliver to the group, but did not deliver it. Instead, he made remarks that appeared to be an attempt to defuse tensions between the nations, which reached a peak last Friday when President Reagan imposed \$300 million worth of tariffs against Japan for its alleged failure to conform to an agreement to prevent dumping of semiconductors.

In his prepared text, Yeutter warned that the dispute over semiconductors could be followed by similar harsh actions if the huge American trade deficit with Japan, nearly \$60 billion last year, is not reduced.

"When we sign agreements, we expect them to be fully implemented," Yeutter said in the prepared text. (Hobart Rowen, Washington Post, D1)

BALDRIGE WARNS ON TRADE

SEOUL, South Korea -- Commerce Secretary Malcolm Baldrige said that U.S. businesses "don't stand a chance" in nations with trade barriers, and he warned that the U.S. may close its markets accordingly.

The U.S. may one day say, "If your markets are closed, I'll close mine," Baldrige told the Korean Traders Association at the start of an 11-day trip to South Korea, China, Hong Kong and the Philippines. "It's not much more complicated than that."

Baldrige told the traders that "time is really a scarce commodity" in the American view of international trade because Congress is moving to enact protectionist legislation. (UPI story, Washington Post, D2)

CONGRESS/TRADE

Two powerful House leaders, who have been mighty adversaries in the past, are at odds again in a fight over whether to include a "protectionist" provision in pending trade legislation.

Neither House Speaker James Wright nor Rep. Dan Rostenkowski, chairman of the Ways and Means Committee, is commenting publicly on the dispute, but their forces are lobbying fiercely in anticipation of a full-fledged battle on the House floor later this month.

Arrayed on Rostenkowski's side are business, farm and consumer groups. Wright's backers come mainly from organized labor.

Their fight centers on an amendment by Rep. Richard Gephardt that would require strong government action to reduce the U.S. trade imbalances with Japan, Taiwan and South Korea.

(Paula Schwed, Newhouse)

TRADE OFFICIAL QUILTS, RAPS POLICY

CHICAGO -- A federal export specialist, saying he is dismayed by U.S. trade retaliation against Japan, announced that he will resign as director of the Chicago office of the Commerce Department's U.S. and Foreign Commercial Service.

Gerald Marks, a 17-year veteran of the service, called Reagan Administration trade policy "myopic at best, dangerous to the world trading structure at worst."

Marks faulted trade officials, the Administration, and congressional leaders for asserting that "our trade problems would be resolved if the Japanese would simply remove all barriers. This is offering false promise to the nation."

(Kevin Klose, Washington Post, A17)

REAGAN RETURNS FROM VACATION, TALKS ARMS CONTROL

President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union.

Besides meeting with top Democratic and Republican leaders this week, Reagan is expected to give instructions to his arms negotiators, who will start a new round of U.S.-Soviet talks in Geneva on Thursday.

Reagan said over the weekend that while significant issues still divide the superpowers, "our negotiators will intensify their efforts to clear them away when talks resume in Geneva." (Susanne Schafer, AP)

SEN. BAKER/SUMMIT PROSPECTS

President Reagan's Chief of Staff said he believed any summit meeting with Kremlin Chief Gorbachev would be designed to resolve outstanding problems and lead to an arms control accord.

"If there is a summit, my guess would be that final resolution of important issues would come out of that summit and it would not be an acting out of agreements already made," White House Chief of Staff Howard Baker told reporters.

Baker, speaking as he accompanied Reagan back to Washington from a California vacation, said it appeared both sides wanted a summit to conduct "useful business."

"I take that to mean the completion of important agreements between our two countries. I think a summit, if one is held, will be more than a formality. I think the answer to many issues that divide us will finally have to be made by the two heads of government," Baker said.

(Michael Battye, Reuter)

WRIGHT SEES BEST HOPES FOR SUPERPOWER ARMS CONTROL IN YEARS

House Speaker Jim Wright, returning from the Soviet Union, said the U.S. and the Kremlin have the best opportunity in generations to forge a nuclear arms control agreement.

"I have the feeling that there seems to be the best opportunity that has existed probably since the Russian Revolution for bringing about a mutually acceptable arms agreement that would be to our advantage," Wright said after arriving at Andrews Air Force Base.

But despite his guarded optimism, Wright declined to derail a move in the House to attach some arms control proposals that are unpopular with President Reagan to a major spending bill. One of the proposals includes calling on the Administration to uphold the unratified 1979 arms control agreement with Moscow regarding cruise missiles. Reagan successfully appealed to the House last fall to delete this proposal before he met Gorbachev in Iceland for arms control discussions.

(Michael Myers, UPI)

House Speaker Predicts Approval Of Two Arms Control Proposals

The House will approve two arms control proposals this week despite Reagan Administration fears that they will hamper U.S.-Soviet negotiations and the possibility that an arms agreement is "quite near," says Speaker Jim Wright.

The Texas Democrat, who returned Monday night from meetings with Soviet leader Gorbachev and other high-ranking officials, said "we have the impression that they are quite near to an accord," referring to both nations.

However, Wright said "it will be my guess that the House will pass" the restrictions when it considers a spending bill later this week.

(Tim Ahern, AP)

STATEMENT AGAINST MARINE IS SAID TO BE RECANTED

Lonetree Lawyer Says Witness Threatened

A key witness has recanted his statement that Marine Sgt. Clayton Lonetree allowed Soviet agents to roam the U.S. Embassy in Moscow, Lonetree's lawyer said.

Attorney Michael Stuhff said Cpl. Robert Williams, one of six Marines brought home last week for questioning, told him that Naval Investigative Service agents had threatened him when he made the statement.

Stuhff said Williams' decision to repudiate the testimony leaves the government without a case.

(Washington Post, A4)

SALE OF COMPUTERS TO IRAN IS ALLOWED

The Reagan Administration decided late last week to permit the shipment of a \$900,000 computer system to Iran, overriding the objections of Defense Secretary Weinberger, according to government and industry sources.

The decision was made by the National Security Council. It mediated the dispute between Weinberger, who vigorously opposed the sale of any equipment to Iran, and the Commerce and State Departments, which urged that the transaction go ahead.

(David Sanger, New York Times, D1)

ACCUSED NAZI IS DEPORTED

Karl Linnas Sent To Soviet Union To Face Execution

Accused Nazi war criminal Karl Linnas was deported yesterday to the Soviet Union, where he faces a death sentence for his World War II role as head of an Estonian concentration camp where 12,000 people were killed.

The Supreme Court cleared the way yesterday for Linnas' expulsion, voting 6 to 3 to deny his request of a delay, effectively ending his five-year struggle to remain in this country. The justices issued no opinion with their vote.

The Linnas case triggered a battle that split the Reagan Administration and pitted the Jewish and East European communities against one another.

Justice Department attorneys had demanded his deportation, while Patrick Buchanan, former White House communications director, publicly protested sending a U.S. resident to face Soviet justice.

(Al Kamen & Mary Thornton, Washington Post, A1)

U.S. MUST ACT IF CONTRAS FAIL, CALERO IS QUOTED

TEGUCIGALPA, Honduras -- The leader of the major U.S.-backed Nicaraguan rebel army was quoted as saying that the U.S. would have to invade Nicaragua if the contras fail to oust the Sandinista government.

"We should avoid at all costs that the North American government takes direct action in the liberation of Nicaragua, but the U.S. will have to act if we do not achieve our aims," Adolfo Calero, head of the Nicaraguan Democratic Force was quoted as saying.

In Washington, Attorney General Edwin Meese said that it is "absolutely necessary" that Congress continue the flow of funds to the rebels.

"This is not just an issue about the contras," Meese told a convention of the Daughters of the American Revolution. "The real issue is, will we allow Nicaragua to become another Cuba, another bastion of the Soviet Union in our hemisphere?"
(Baltimore Sun, A4)

ARMY COMMANDER IN ARGENTINA QUILTS IN WAKE OF REVOLT

BUENOS AIRES -- Less than 24 hours after a rebellion of infantry officers ended peacefully, Argentina's Army Chief of Staff resigned, paving the way for a shake-up of the entire army high command.

President Raul Alfonsin, who personally intervened to persuade the officers to surrender, temporarily named his civilian defense minister, Horacio Juanarena, to replace Gen. Hector Rios Erenu as head of the army.

Within the next few days the president is expected to force the retirement of many senior generals and colonels in the hope of ending unrest within military ranks over the trials of 280 officers charged with past human rights abuses.
(Alan Riding, New York Times, A1)

PLO SIGNALS HARD LINE AT GATHERING Moves Toward Reunification Deal Double Blow To U.S. Policy

ALGIERS -- After four divided years, most of the Palestine Liberation Organization met under the same roof as a parliament-in-exile, in a move toward reunification that also involves a realignment of PLO relations within the Arab world and hardens their terms for peace in the Middle East.

Beyond the rhetoric-filled speeches delivered during today's opening session, the PLO's move toward reunification appeared to abruptly upend U.S.-backed efforts by Israel and Jordan's King Hussein to undermine Arafat's leadership of the 1.3 million Palestinians who live in the territories occupied by Israel.

At the same time, the PLO's unity platform is solidly aligned with efforts by the Soviet Union, among other nations, in pushing for an international peace conference on the Middle East under terms that have been staunchly opposed by the U.S. and Israel.

(Patrick Tyler, Washington Post, A1)

NATIONAL NEWS

CONGRESS RETURNS TO FACE ARMS, BUDGET, IRAN AFFAIR

Arms control, the federal budget and immunity for a key figure in the Iran-contra affair will top the agenda when Congress resumes work today after a weeklong recess.

The House is scheduled to start work tomorrow on an \$11.3 billion supplemental appropriations bill for 1987. The measure, which includes two controversial Democratic arms control proposals, sets up a major confrontation with the White House.

The Administration has warned that the bill, if approved with the proposed amendments, may be vetoed by President Reagan, who returned to Washington after an 11-day vacation in California.

In upcoming days, the President is expected to meet with Republican and Democratic leaders to brief them on last week's talks in Moscow between Secretary Shultz and Soviet leader Gorbachev.

(Jennifer Spevacek, Washington Times, A4)

Budget Bills Greet Returning Congress

The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess.

The House debates arms control -- amendments banning all but the smallest nuclear tests and requiring U.S. adherence to the SALT II Treaty.

Chief of Staff Howard Baker, on his way back from California Monday, said he didn't know "any way to stop the House" from backing the ban.

But he added: "It's a sensitive time and I believe the Congress will give the President the latitude to pursue these (arms control) matters."

The White House also complains the House budget bill cuts its defense and foreign aid requests by \$4.7 billion, while boosting domestic spending. But the bill is \$1.2 billion smaller than Reagan's request.

(Fred Anklam & Bob Minzesheimer, USA Today, A4)

MAJORITY OF AMERICANS FAVOR 'STAR WARS' PLAN

Most Americans are in favor of President Reagan's "Star Wars" program to develop a missile defense system although many mistakenly believe that the U.S. already has weapons to defend against a nuclear attack, according to a poll released yesterday.

The survey of 1,004 Americans was commissioned by the Committee on the Present Danger, a Washington-based organization.

Of those polled, 64 percent said that "the U.S. currently has a system to defend against nuclear missile attack," while 31 percent thought that statement was false and 4 percent said they did not know.

Seventy-four percent of those polled said they favored deploying an anti-missile system in the U.S. with 19 percent opposed and 7 percent with no opinion, the poll said.

The Committee on the Present Danger has been a consistent advocate for "Star Wars" and for higher levels of defense spending.

(AP story, Washington Times, A8)

CALIFORNIA AN SDI SUPERSTAR State Has Nearly half Of Project's Contracts

Nearly half of the \$10.9 billion in contracts signed so far for "Star Wars" antiballistic missile defense research have gone to companies and laboratories in California, according to a private study released Sunday.

The report by the Federation of American Scientists, an organization that has frequently criticized SDI, found that since 1983, when President Reagan launched the program, California has won Star Wars contracts worth \$4.9 billion, or 45.1 percent of the total, with Los Angeles winning 054 contracts worth \$2.6 billion and the San Francisco area winning 234 deals worth \$1.9 billion.

(AP story, Washington Post, A17)

MEESE TALKS TO FBI ABOUT WEDTECH

Attorney General Meese was interrogated by two FBI agents Friday about his knowledge of Wedtech Corp., a New York company under criminal investigation.

During the interview, Meese was told he was not the target of a criminal probe, according to a high-ranking Justice Department source.

"They specifically told him he was not under investigation," said the source. "He was absolutely not read his rights or told to prepare a defense."

(Michael Hedges, Washington Times, A1)

OIL HUNT URGED IN ARCTIC REFUGE Environmentalists Oppose Interior Dept. Plan; Hill Fight Seen

Interior Secretary Donald Hodel recommended that Congress open an Alaska wildlife refuge to oil drilling, saying potential oil resources there are "vital to our national security."

Hodel said he believes that 1.5 million acres of the Arctic National Wildlife Refuge's coastal plain could be developed without causing significant environmental damage or harming the caribou, musk oxen or other wildlife for which the refuge was set aside.

The recommendation is expected to face major opposition, however. House Interior Committee Chairman Morris Udall has joined more than 70 House colleagues in supporting a bill that would declare the area wilderness off-limits to drilling.

(Cass Peterson, Washington Post, A8)

HETEROSEXUAL AIDS MAY SURGE, KOOP SAYS Estimate Of U.S. Infection Rate Seen Too Low

The AIDS epidemic may be "on the threshold" of accelerating its spread among heterosexuals in the U.S., according to U.S. Surgeon General C. Everett Koop.

The coming year's statistics could show whether the disease will "explode" among heterosexuals as it did among homosexual males in the early 1980s, Koop said.

(Susan Okie, Washington Post, A4)

IRAN — NICARAGUA

IRAN-CONTRA TESTIMONY TALKS CALLED AT 'CRITICAL POINT'

Congressional investigators are "at a critical point" in negotiations with a key figure in the Iran-contra money trail and have been talking with another who so far has taken the Fifth Amendment, the chairman of the House panel investigating the affair said.

With little prospect of getting records through Swiss banks or the Swiss government, Rep. Lee Hamilton said congressional investigators hoped that Albert Hakim, the Iranian-born partner of retired Maj. Gen. Richard Secord, will -- along with others -- "provide access to some of the bank records -- whether all, I don't know."

Hakim, whom the lawmaker called "the financial guy" in a team that played key roles in the Iran arms sales and in providing supplies to Nicaraguan rebels, remains out of the country. Investigators do not know if he will appear as a witness, but Hamilton said he thought negotiations with Hakim's lawyers would be resolved soon.

(Mark Matthews, Baltimore Sun, A1)

RAFSANJANI: RELATIONS TURN ON U.S. POLICY Iranian Says Washington Broke Promise

TEHRAN -- Iran's relations with the U.S. need not remain poor until "doomsday," but the U.S. must first curb its support for Israel and give up its "mischievous" acts against Iran, the powerful speaker of Iran's parliament said.

In detailed and wide-ranging comments on the Iran-arms affair, Speaker Rafsanjani said at a news conference that "more...hostages would have been released" if the U.S. "had kept (its) word" with Iran during what he called "the short period" of secret contacts between the two countries.

Rafsanjani specifically complained that the U.S. had overcharged Iran for weapons, and had let Israel become involved in the affair "even though it (the U.S.) knows we hate Israel." He also reiterated that his government is still willing to use its influence with radical groups in Lebanon to free western hostages if the U.S. drops its "hostile attitude" toward Iran and releases frozen Iranian assets.

(Robert McCartney, Washington Post, A21)

CONTRA BANKING NETWORK PREDATES FALL OF SOMOZA Cayman Islands Account Is A Focus Of Probes

The secret financial network used by the Nicaraguan rebels to receive and distribute tens of millions of dollars in donations after the cutoff of U.S. military aid initially was set up in 1977 to hide the money transferred abroad by wealthy Nicaraguans fearful of a Sandinista victory, Miami banking sources say.

According to the sources, the contra network used the same Cayman Islands bank -- Banco do America Central (BAC) -- the same system of Miami "pass-through" accounts and Panamanian shell companies, and perhaps some of the same advisers. (Dan Morgan, Washington Post, A1)

NETWORK NEWS SUMMARY

(Monday Evening, April 20, 1987)

IRAN-CONTRA

CBS's Dan Rather: Did the Department of Defense help circumvent Congress and the law as part of the weapons for contras deal? The Pentagon is the target tonight of new questions about the scandal. Up to now, investigations of secret aid to the Nicaraguan rebels have focused on the White House and the CIA. But CBS News has now confirmed that the U.S. Army was also deeply involved setting up a secret pipeline even before Congress banned military aid to the contras in 1984.

CBS's David Martin: In 1983 a secret Army unit operating out of this office building in the suburbs of Washington opened an account at the Credit Swiss Bank in Geneva, Switzerland. Two years later, two and a half million dollars was withdrawn from the Army's secret account in just one day. \$75,000 of that was used to...carry arms to the contras at a time when U.S. military aid was barred by law. Bank records show two of the people authorized to withdraw money from that Army account were Oliver North and Richard Secord -- key figures in the sale of arms to Iran and the alleged diversion of money to the contras. Until now, the Pentagon has insisted its only role in the affair was to provide the weapons which were sold to Iran. The existence of this account opens up an entirely new and previously unsuspected connection between the Pentagon and the secret operations of Oliver North -- records which might explain who in the Army authorized the account and why either never existed or have since disappeared. However, two sources say it appears the account was set up in anticipation of a Congressional cut-off of aid to the contras. In addition to North and Secord, at least two other names appear on the account -- William Golden, an Army intelligence officer who worked for Business Security International, a front company used by the Army to support secret operations; Joel Patterson, a civilian who also worked for Business Security International. Patterson is known in intelligence circles as an expert in the secret movement of funds. He denies any knowledge of the Swiss bank account.

(Joel Patterson: "Most ridiculous thing I've ever heard. Really I have no more to say other than that.")

The Army initially said it had no evidence that such a bank account existed, but after CBS News provided the account number, the Army began an inquiry which has now been taken over by the special prosecutor investigating the Iran-contra affair. (CBS-Lead)

LINNAS

NBC's Tom Brokaw: Is he a Nazi war criminal guilty of killing 2,000 people at a concentration camp or is he the victim of a Soviet judicial system determined to punish him for his anti-Communist views? His name is Karl Linas and tonight he is scheduled to be deported from the United States, sent back to the Soviet Union where he has already been sentenced to death.

-more-

Brokaw (continues): Linnas as been living in this country as a citizen since 1959, but the U.S. Supreme Court ruled today he can stay here no longer.

NBC's Carl Stern: Linnas was whisked to New York's Kennedy airport just hours after the Supreme Court cleared the way for his deportation. He called it kidnapping and murder.... In court Linnas' lawyer had argued that the Justice Department was caving in to Soviet demands to expedition and that Linnas was not a mass murderer as the Soviets claimed. But Justice Department lawyers said there was plenty of evidence that Linnas lied about his Nazi past when he entered the U.S. after the war.... Anti-Communist groups and some notable conservatives, including Patrick Buchanan and William Buckley contended the Russians had made up the evidence to get at Linnas for being an anti-Communist. They said the U.S. should not be showing respect for Soviet justice.

(Attorney General Meese: "Our responsibilities under the law are to deport him. This is the order of the court and we have the obligation to carry that out.")

Linnas was scheduled to fly aboard a Czechoslovakian airliner... The Attorney General said the U.S. had no assurances how he'd be handled once we gets there. (NBC-Lead, ABC-Lead, CBS-2)

JAPANESE TRADE

Brokaw: Despite the stiff tariffs imposed by the United States last week on some Japanese goods, American officials insisted today that this trade dispute must not be allowed to blow-up into a trade war. But for now, neither side appears ready to back down.

NBC's Chris Wallace: American Trade Representative Yeutter was in Tokyo today telling Japanese officials the U.S. wants action, not more words to resolve the big trade imbalance. Japan's top priority, Yeutter said, should be to stimulate domestic demand -- a point Treasury Secretary Baker echoed on NBC's "Today" program.

(Secretary Baker: "Countries that are running major trade surpluses -- we'd like to see them stimulate their economies, adopt some supply-side economic measures which would permit them to grow more and absorb more imports.")

Japan had its own envoy in Washington with a different agenda. Former Foreign Minister Abe telling Vice President Bush the U.S. should lift those new 100 percent tariffs. Still with some in Congress demanding even tougher action, Bush indicated the issue will not be settled before Prime Minister Nakasone meets with the President here next week.

(Vice President Bush: "There's no lessening in our desire for free and fair trade.")

But a Commerce Department official resigned today, in part because he says the White House is caving in to protectionist pressures, blaming Japanese trade barriers when the real problem, he said, is U.S. companies just aren't aggressive about selling their goods overseas.

Brokaw continues:

(Gerald Marks: "We have a tendency to try to blame others for our problems. The fact is that we have met the enemy and he is us.")

At one electronics store today, most customers supported the tariff, but some said they will keep buying Japanese, even if prices go up.

(Mark Russilo, customer,: "We have to do things that are going to benefit our workers. I think we also have to try to get our industrialists to see that we have to build a better product.")

Under pressure from all sides then, the President has embarked on a delicate operation -- to be tough enough towards Japan to prevent Congress from getting even tougher, to fight selected trade battles in order to avoid an all-out trade war. (NBC-2, ABC-10)

Rather: United States trade protection is already taking it's toll on Japanese exporters and Congressional leaders now are predicting passage of more new trade barriers soon. But today in Tokyo, President Reagan's representatives made no progress in trying to get Japan to stop protecting it's own markets and reduce its trade surplus by taking more U.S. exports.

CBS's Barry Peterson: ...U.S. Trade Representative Yeutter and Agriculture Secretary Lyng insisted that American rice be sold here. They were met with smiles, handshakes and a firm no....

(Trade Representative Yeutter: "It is not protectionist in any sense of the word -- that is intended to be a temporary action.")

...Commerce Secretary Baldrige made it clear today that Korea may be the next target of American "get-tough" protectionism.

(Secretary Baldrige: "Our industries and our Congress are taking a much closer look at trade barriers and needless to say, they don't like what they see.")... (CBS-4)

LONETREE

ABC's JENNINGS: A key witness in the Marine embassy scandal is said to have changed his story. A lawyer for the first Marine arrested, Sgt. Clayton Lonetree, says the key witness against his client, a Marine corporal, has withdrawn his original statement that Lonetree allowed Soviet agents to roam around the embassy and without that testimony, said Lonetree's lawyer, the government doesn't have a case. There's been no comment from the Marines. (ABC-3, CBS-6)

JAPANESE AMERICANS

JENNINGS: There was another echo from WWII at the court today.

Not for the first time, Japanese Americans are trying to erase the losses which they suffered when they were unceremoniously rounded up and put in camps. Today some of those, in turn, and the descendants are suing the government for the property they lost when they were put behind the barbed wire.... (ABC-2, CBS-3)

PLO

Brokaw: In Algiers today, the PLO met to discuss new calls for a homeland and to show off renewed unity after three years of fighting each other, fighting the Israelis, the Amal and the Christian forces of Lebanon. The various factions of the PLO came together and they were all determined to sound the call to arms....

(NBC-2, ABC-4, CBS-7)

ABUL ABBAS

Brokaw: Abul Abbas is under indictment in this country for the highjacking of the Achille Lauro in 1985. The State Department, asked by NBC News if it would seek the extradition of Abbas from Algiers. The United States said it was not aware that Abbas was at that PLO conference.

(NBC-3)

ENVIRONMENT

Jennings: The beginning of another round today in the political battle about the environment. The Interior Secretary Donald Hodel has recommended that drilling for oil be allowed in the Arctic National Wildlife Refuge in Alaska. Those opposed, including 78 Congressmen and Senators, say drilling will threaten the wildlife there, particularly the caribou and that all development should be permanently banned....

(ABC-8, CBS-9)

MAXWELL TAYLOR

Jennings: General Maxwell Taylor has died. He was 85. General Taylor lead the 101st Airborne Division at the Invasion of Normandy during WWII. He later served as chairman of the joint chiefs of staff and as the U.S. Ambassador in South Vietnam. Defense Secretary Casper Weinberger said today that Taylor epitomize what it means to be a soldier, a diplomat and a scholar.

(NBC-5, ABC-6, CBS-8)

EDITORIALS/COLUMNISTS

ARMS CONTROL/SHULTZ'S TRIP TO MOSCOW

Is An Arms Control Deal 'At Hand'? -- "President Reagan has, paradoxically, been the most reluctant President since the beginning of serious arms control negotiations and the most successful in pressing the Soviet Union into concessions. These two things are related, but the time to capitalize upon President Reagan's success is rapidly coming to an end. Even from the Administration's point of view, it is better to cut the deal now than to leave it to a successor, who would have a hard time getting into the position in which President Reagan's is now to make an advantageous deal.... It is hard to believe that the next president will be as stubborn in this area as President Reagan has been.... President Reagan has a historic opportunity to strengthen the security of the United States and its European allies by pressing the arms control discussions to a successful conclusion. He should not let the romantics around him prevent him from taking it." (Chicago Tribune, 4/17)

Go For It! -- "So we urge the Reagan Administration to seize the opportunity, advanced during Secretary of State George Shultz's meeting with Mikhail Gorbachev, to draw down the two sides' medium- and short-range missiles in Europe.... Washington can find the courage not to fear an accord that would reverse the nuclear buildup -- the President's own goal." (The Christian Science Monitor, 4/17)

Coming Back To A Search For Enduring Peace -- "Reagan's PR experts would dress a U.S. summit as the millenium, so what's new? They did as much with the facelift of the Statue of Liberty. Manufacturing silk purses from sow's ears is their trade. Recently, they've been stoking the spy scare, trotting out the Gipper in righteous dudgeon much like that of the musical comedy Texas governor's discovery of a whorehouse. Bugging and sex traps are fixtures of the spook game. What's new is the way we're getting creamed at it on Reagan's watch.... The hope for arresting this melancholy chain is that it will force a rational debate on U.S-Soviet relations in next year's campaign. We had a strategy once of maintaining security with one hand while searching with the other for ways to reduce nuclear armament and move toward enduring peace. We need to come home to that kind of common-sense pragmatism."

(Jim Fain, Atlanta Journal, 4/15)

'Proceeding' With Moscow -- "At Reykjavik, President Reagan had let himself be drawn unprepared into a wild bargaining session in which he moved on his own toward decisions affecting the allies' vital interests. A major crisis of confidence resulted. In leaving Mr. Gorbachev fretting and then flying off to Brussels, Mr. Shultz was conducting diplomacy the old-fashioned Atlantic way. Mr. Reagan usefully reinforced the point in his own statement yesterday afternoon.... On strategic defense in particular, a large gap remains. The Moscow talks, which covered spying, human rights and a range of other issues, bore out Mr. Reagan's recent characterization of Soviet-American relations as 'proceeding --no great cause for excitement, no great cause for alarm.' With everything, that's not so bad." (Washington Post, 4/16)

'What Are you Afraid Of?' -- "We assume that Secretary Shultz will assure the NATO ministers that there is nothing to be afraid of at all.... While Secretary Shultz was trading toasts in Moscow, in short, the Soviets were opening yet another merciless attack on Afghan civilians and a wholly new attempt to insert their tankers and navy into the oil-supply lines of Europe.... Implicitly the Reykjavik summit and the 'zero option' ask the European allies to take some responsibility for arms control. Instead of appeasing their domestic left demanding that President Reagan prove his 'sincerity,' the NATO leaders now must either accept or oppose an agreement they privately find distasteful. But the agreement would go away overnight if Helmut Kohl or Margaret Thatcher stood up in public and said it threatened national security. Why don't NATO leaders say in public what they say in private? As the Soviets asked, 'What are you afraid of?'"
(Wall Street Journal, 4/16)

Love The Bomb -- "A healthy respect for the bomb, an awareness of what it has allowed free society to become and gratitude for that, should be ever on the minds of those in and out of government who seem so eager to do away with it."
(Washington Times, 4/16)

Behind The Smoke, An Arms Deal -- "Wave away all the smoke and three points stand out -- two sides reaffirmed their virtual accord to destroy all medium-range missiles in Europe and retain 100 elsewhere; Mr. Gorbachev added a dramatic new element, elimination of all Soviet shorter-range missiles from Eastern Europe within one year; now that Moscow has offered more than Western leaders ever dreamed possible, the West should accept in principle and get on with negotiating the hard details of arms control."
(New York Times, 4/16)

Treatymania -- "Mr. Shultz may be having a simply mah'v'lous time, dollink, feeling very important, with the future security of the world resting on his broad and capable shoulders. What will the rest of us get out of al this folderol? A hope that someday maybe the United State and the Soviets will sign yet another arms control treaty that offers the false hope of reducing the nuclear danger -- and which both sides feel free to violate when they feel it will serve their interests? Spare us.... The process may provide low-grade entertainment for the rest of us, but as presently practiced it will reduce neither the number of weapons nor the amount of tension in the world. That reduction will occur when (if) the Soviets abandon aggressive intentions and the United States believes them. It may never happen. If it does, it will not be the result of signing a treaty."
(Orange County Register, 4/15)

Hope For Arms Control Treaty -- "A superpower arms deal may not be inevitable. But Secretary of State George Shultz' meetings with Soviet leader Mikhail Gorbachev, followed by conferences with European allies in Brussels and a briefing of President Reagan in Santa Barbara, do hold real hope that a treaty to remove medium-range nuclear missiles from Europe may be signed by the end of the year.... The Reagan Administration, however, should remain committed to the clear priority it outlined in a recently released national security strategy report: 'While the possible use of nuclear weapons must remain an element in our overall military strategy, nuclear forces should never be viewed as simply a lower-cost alternative to conventional weapons.' That principle should be recognized and supported by European leaders. The world community cannot afford failure at this stage."
(Dallas Times Herald, 4/17)

FOREIGN MEDIA REACTION

ARMS CONTROL

"If an accord is now within reach, it is partly because they have always given the impression of wanting one.... But now it seems that the possible disappearance of Euromissiles has again conjured up the specter of European-American 'decoupling' at a time when the USSR's advantage in conventional arms is greater than ever."

(Tribune de Geneve, Switzerland)

"NATO and the United States then said if and but to the agreement, requesting special verifications; Gorbachev accepted them.... NATO cannot turn back now...but it faces the devil's alternatives: either accept proposals and enter into a deep crisis of strategy reform, or reject them and enter into a political crisis and ensuing loss of confidence."

(El Pais, Spain)

"It is precisely the present Administration that has coarsely trampled on the temporary agreement on SALT I, and the SALT II Treaty.... It is precisely the Reagan Administration that does not stop undermining the ABM Treaty, which is regarded by the Pentagon as an obstacle on the way to the implementation of its Star Wars program."

(TASS, Soviet Union)

"Even when their interests coincide as they do now, these ideological antagonists can always cause unpleasant surprises.... Nevertheless, Shultz and Shevardnadze have made a significant, if not decisive, step which opens the door to the third and maybe most fruitful meeting of Reagan and Gorbachev."

(Nin, Yugoslavia)

"The success in the INF negotiations can expand the thawing in East-West relations and will benefit the Korean peninsula's political situation."

(Kyunghyang Shinmun, South Korea)

"Still they (the U.S. and Soviets) think the task to be finished is tough and heavy.... In a word, U.S.-Soviet relations have developed with ups and downs and will develop in the same manner in the future."

(People's Daily, China)

"On the face of it, the U.S. Secretary of State, Mr. George Shultz, has had a fairly successful visit to Moscow.... But in terms of substantive and propaganda advantage, one would have to say that the Russians clearly won this round."

(Straits Times, Singapore)

"There has been definite progress toward concluding an INF agreement between the two superpowers as well as on shorter intermediate-range missiles. It is indeed a welcome development, though some people may say that Moscow has stolen the show from Washington."

(Indonesia Times, Indonesia)

"The sheer scope of Gorbachev's offer...has taken Shultz by surprise and left him, in effect, without a brief."

(Hindustan Times, India)

"Reagan returns to Washington refreshed by a week's holiday and strengthened politically by the prospects of a third summit with Gorbachev."

(Gulf Times, Qatar)

-End of News Summary-

INTERNATIONAL NEWS

JAPANESE ENVOY TO MEET WITH REAGAN TODAY

White House Chief of Staff Howard Baker urged a special Japanese envoy, former Foreign Minister Shintaro Abe, to bring fresh ideas for easing the growing trade frictions between the U.S. and Japan when he meets today with President Reagan.

Baker, speaking to reporters on Air Force One as Reagan returned to Washington from his California vacation, also dashed Japanese hopes that the trade sanctions the President ordered Friday would be lifted before Prime Minister Yasuhiro Nakasone arrives here April 29.

Abe, who arrived here Sunday night to pave the way for the Reagan-Nakasone summit, met with Vice President Bush, Secretary Weinberger and Secretary Shultz. But the major reason for his visit is his meeting with Reagan to deliver a plea against trade sanctions.

(Stuart Auerbach, Washington Post, D1)

U.S./Japan Trade Relations

White House Chief of Staff Howard Baker said he hopes Japanese Foreign Minister Shintaro Abe will share "some useful insights" with President Reagan on the trade tensions between the two nations.

Abe met with Vice President Bush and Bush said he was "convinced the matter can be resolved. I think the visit of Mr. Abe is a very important step. He will find we are not only determined but also want to see this matter resolved."

(UPI)

Officials Fear U.S.-Japan Trade Differences Spur Protectionist Action

White House officials are suggesting that the Japanese must patch up their trade differences with the U.S. or risk giving impetus to a growing protectionist sentiment in Congress.

On the eve of President Reagan's meeting with for Japanese Foreign Minister Shintaro Abe, Vice President Bush and Chief of Staff Howard Baker said they doubted the Japanese could win any quick reversal of the President's decision to impose \$300 million in punitive tariffs on Japanese electronic products.

The former Japanese foreign minister met with Bush Monday, then told reporters that "we should settle the matter through friendly talks, not through confrontation or sanctions or reprisals."

But Baker, talking to reporters accompanying Reagan back to Washington aboard Air Force One, said that Reagan's April 30 meeting with Nakasone ought to be more than just a friendship meeting.

(Merrill Hartson, AP)

Reagan Meets Today With Japanese Trade Emissary

The Administration, insisting on concrete action as proof of a commitment to fair trade, has placed the onus on Japan to call off a feud that has provoked \$300 million in U.S. tariffs on Japanese products.

Aware of that stance in his mission to pursue an end to the trade dispute, former Japanese Foreign Minister Shintaro Abe had an appointment today with President Reagan to plead the case for rescission of the retaliatory tariffs ordered last week on computers, power tools and color televisions.

Reagan was expected to stand firm on his insistence for "firm and continuing evidence" that Japan is abiding by an agreement on computer chip sales before repealing the tariffs, more politically symbolic than economically harmful.

As a result, White House officials said they expect the trade tussle to continue unabated for at least the next several weeks -- long enough to cast a shadow over the visit next week of Japanese Prime Minister Yasuhiro Nakasone.

Norman Sandler, UPI)

U.S./Japan Trade Relations

On both sides of the Pacific, the message from top Reagan Administration officials is the same -- No more Mr. Nice Guy -- as the U.S. keeps pressure on Japan to change its trading practices.

The tough new line was operating when Vice President Bush ushered former Japanese Foreign Minister SHintaro Abe into his office to discuss the imposition of \$300 million in tariffs on imports of Japanese computers, power tools and television sets in retaliation for Japan's renegeing on an agreement not to sell computer chips at unfairly low prices.

The United States and Japan have "a very strong relationship," Bush said, but "we have a problem here."

Meanwhile, in Tokyo, U.S. Trade Representative Clayton Yeutter told Japanese Foreign Minister Tadashi Kuranari that Japan must do more to stimulate consumer demand and open its domestic market to American goods.

(Miles Benson, Newhouse)

Yeutter Sounds A Conciliatory Note, Says Trade Issue Should Not Hurt Relationship

OISO, Japan -- U.S. Trade Representative Clayton Yeutter said that Japan and the U.S. should not allow their dispute over semiconductors "to cloud our larger relationships."

Yeutter, who spoke to the seventh Shimoda Conference here, had prepared a stern speech to deliver to the group, but did not deliver it. Instead, he made remarks that appeared to be an attempt to defuse tensions between the nations, which reached a peak last Friday when President Reagan imposed \$300 million worth of tariffs against Japan for its alleged failure to conform to an agreement to prevent dumping of semiconductors.

In his prepared text, Yeutter warned that the dispute over semiconductors could be followed by similar harsh actions if the huge American trade deficit with Japan, nearly \$60 billion last year, is not reduced.

"When we sign agreements, we expect them to be fully implemented," Yeutter said in the prepared text. (Hobart Rowen, Washington Post, D1)

BALDRIGE WARNS ON TRADE

SEOUL, South Korea -- Commerce Secretary Malcolm Baldrige said that U.S. businesses "don't stand a chance" in nations with trade barriers, and he warned that the U.S. may close its markets accordingly.

The U.S. may one day say, "If your markets are closed, I'll close mine," Baldrige told the Korean Traders Association at the start of an 11-day trip to South Korea, China, Hong Kong and the Philippines. "It's not much more complicated than that."

Baldrige told the traders that "time is really a scarce commodity" in the American view of international trade because Congress is moving to enact protectionist legislation. (UPI story, Washington Post, D2)

CONGRESS/TRADE

Two powerful House leaders, who have been mighty adversaries in the past, are at odds again in a fight over whether to include a "protectionist" provision in pending trade legislation.

Neither House Speaker James Wright nor Rep. Dan Rostenkowski, chairman of the Ways and Means Committee, is commenting publicly on the dispute, but their forces are lobbying fiercely in anticipation of a full-fledged battle on the House floor later this month.

Arrayed on Rostenkowski's side are business, farm and consumer groups. Wright's backers come mainly from organized labor.

Their fight centers on an amendment by Rep. Richard Gephardt that would require strong government action to reduce the U.S. trade imbalances with Japan, Taiwan and South Korea.

(Paula Schwed, Newhouse)

TRADE OFFICIAL QUILTS, RAPS POLICY

CHICAGO -- A federal export specialist, saying he is dismayed by U.S. trade retaliation against Japan, announced that he will resign as director of the Chicago office of the Commerce Department's U.S. and Foreign Commercial Service.

Gerald Marks, a 17-year veteran of the service, called Reagan Administration trade policy "myopic at best, dangerous to the world trading structure at worst."

Marks faulted trade officials, the Administration, and congressional leaders for asserting that "our trade problems would be resolved if the Japanese would simply remove all barriers. This is offering false promise to the nation."

(Kevin Klose, Washington Post, A17)

REAGAN RETURNS FROM VACATION, TALKS ARMS CONTROL

President Reagan, ending a 10-day California vacation, returned to Washington to consult congressional leaders about what he believes are promising arms-control negotiations with the Soviet Union.

Besides meeting with top Democratic and Republican leaders this week, Reagan is expected to give instructions to his arms negotiators, who will start a new round of U.S.-Soviet talks in Geneva on Thursday.

Reagan said over the weekend that while significant issues still divide the superpowers, "our negotiators will intensify their efforts to clear them away when talks resume in Geneva." (Susanne Schafer, AP)

SEN. BAKER/SUMMIT PROSPECTS

President Reagan's Chief of Staff said he believed any summit meeting with Kremlin Chief Gorbachev would be designed to resolve outstanding problems and lead to an arms control accord.

"If there is a summit, my guess would be that final resolution of important issues would come out of that summit and it would not be an acting out of agreements already made," White House Chief of Staff Howard Baker told reporters.

Baker, speaking as he accompanied Reagan back to Washington from a California vacation, said it appeared both sides wanted a summit to conduct "useful business."

"I take that to mean the completion of important agreements between our two countries. I think a summit, if one is held, will be more than a formality. I think the answer to many issues that divide us will finally have to be made by the two heads of government," Baker said.

(Michael Battye, Reuter)

WRIGHT SEES BEST HOPES FOR SUPERPOWER ARMS CONTROL IN YEARS

House Speaker Jim Wright, returning from the Soviet Union, said the U.S. and the Kremlin have the best opportunity in generations to forge a nuclear arms control agreement.

"I have the feeling that there seems to be the best opportunity that has existed probably since the Russian Revolution for bringing about a mutually acceptable arms agreement that would be to our advantage," Wright said after arriving at Andrews Air Force Base.

But despite his guarded optimism, Wright declined to derail a move in the House to attach some arms control proposals that are unpopular with President Reagan to a major spending bill. One of the proposals includes calling on the Administration to uphold the unratified 1979 arms control agreement with Moscow regarding cruise missiles. Reagan successfully appealed to the House last fall to delete this proposal before he met Gorbachev in Iceland for arms control discussions.

(Michael Myers, UPI)

House Speaker Predicts Approval Of Two Arms Control Proposals

The House will approve two arms control proposals this week despite Reagan Administration fears that they will hamper U.S.-Soviet negotiations and the possibility that an arms agreement is "quite near," says Speaker Jim Wright.

The Texas Democrat, who returned Monday night from meetings with Soviet leader Gorbachev and other high-ranking officials, said "we have the impression that they are quite near to an accord," referring to both nations.

However, Wright said "it will be my guess that the House will pass" the restrictions when it considers a spending bill later this week.

(Tim Ahern, AP)

STATEMENT AGAINST MARINE IS SAID TO BE RECANTED Lonetree Lawyer Says Witness Threatened

A key witness has recanted his statement that Marine Sgt. Clayton Lonetree allowed Soviet agents to roam the U.S. Embassy in Moscow, Lonetree's lawyer said.

Attorney Michael Stuhff said Cpl. Robert Williams, one of six Marines brought home last week for questioning, told him that Naval Investigative Service agents had threatened him when he made the statement.

Stuhff said Williams' decision to repudiate the testimony leaves the government without a case.

(Washington Post, A4)

SALE OF COMPUTERS TO IRAN IS ALLOWED

The Reagan Administration decided late last week to permit the shipment of a \$900,000 computer system to Iran, overriding the objections of Defense Secretary Weinberger, according to government and industry sources.

The decision was made by the National Security Council. It mediated the dispute between Weinberger, who vigorously opposed the sale of any equipment to Iran, and the Commerce and State Departments, which urged that the transaction go ahead.

(David Sanger, New York Times, D1)

ACCUSED NAZI IS DEPORTED Karl Linnas Sent To Soviet Union To Face Execution

Accused Nazi war criminal Karl Linnas was deported yesterday to the Soviet Union, where he faces a death sentence for his World War II role as head of an Estonian concentration camp where 12,000 people were killed.

The Supreme Court cleared the way yesterday for Linnas' expulsion, voting 6 to 3 to deny his request of a delay, effectively ending his five-year struggle to remain in this country. The justices issued no opinion with their vote.

The Linnas case triggered a battle that split the Reagan Administration and pitted the Jewish and East European communities against one another.

Justice Department attorneys had demanded his deportation, while Patrick Buchanan, former White House communications director, publicly protested sending a U.S. resident to face Soviet justice.

(Al Kamen & Mary Thornton, Washington Post, A1)

U.S. MUST ACT IF CONTRAS FAIL, CALERO IS QUOTED

TEGUCIGALPA, Honduras -- The leader of the major U.S.-backed Nicaraguan rebel army was quoted as saying that the U.S. would have to invade Nicaragua if the contras fail to oust the Sandinista government.

"We should avoid at all costs that the North American government takes direct action in the liberation of Nicaragua, but the U.S. will have to act if we do not achieve our aims," Adolfo Calero, head of the Nicaraguan Democratic Force was quoted as saying.

In Washington, Attorney General Edwin Meese said that it is "absolutely necessary" that Congress continue the flow of funds to the rebels.

"This is not just an issue about the contras," Meese told a convention of the Daughters of the American Revolution. "The real issue is, will we allow Nicaragua to become another Cuba, another bastion of the Soviet Union in our hemisphere?"
(Baltimore Sun, A4)

ARMY COMMANDER IN ARGENTINA QUILTS IN WAKE OF REVOLT

BUENOS AIRES -- Less than 24 hours after a rebellion of infantry officers ended peacefully, Argentina's Army Chief of Staff resigned, paving the way for a shake-up of the entire army high command.

President Raul Alfonsin, who personally intervened to persuade the officers to surrender, temporarily named his civilian defense minister, Horacio Juanarena, to replace Gen. Hector Rios Erenu as head of the army.

Within the next few days the president is expected to force the retirement of many senior generals and colonels in the hope of ending unrest within military ranks over the trials of 280 officers charged with past human rights abuses.
(Alan Riding, New York Times, A1)

PLO SIGNALS HARD LINE AT GATHERING Moves Toward Reunification Deal Double Blow To U.S. Policy

ALGIERS -- After four divided years, most of the Palestine Liberation Organization met under the same roof as a parliament-in-exile, in a move toward reunification that also involves a realignment of PLO relations within the Arab world and hardens their terms for peace in the Middle East.

Beyond the rhetoric-filled speeches delivered during today's opening session, the PLO's move toward reunification appeared to abruptly upend U.S.-backed efforts by Israel and Jordan's King Hussein to undermine Arafat's leadership of the 1.3 million Palestinians who live in the territories occupied by Israel.

At the same time, the PLO's unity platform is solidly aligned with efforts by the Soviet Union, among other nations, in pushing for an international peace conference on the Middle East under terms that have been staunchly opposed by the U.S. and Israel.

(Patrick Tyler, Washington Post, A1)

NATIONAL NEWS

CONGRESS RETURNS TO FACE ARMS, BUDGET, IRAN AFFAIR

Arms control, the federal budget and immunity for a key figure in the Iran-contra affair will top the agenda when Congress resumes work today after a weeklong recess.

The House is scheduled to start work tomorrow on an \$11.3 billion supplemental appropriations bill for 1987. The measure, which includes two controversial Democratic arms control proposals, sets up a major confrontation with the White House.

The Administration has warned that the bill, if approved with the proposed amendments, may be vetoed by President Reagan, who returned to Washington after an 11-day vacation in California.

In upcoming days, the President is expected to meet with Republican and Democratic leaders to brief them on last week's talks in Moscow between Secretary Shultz and Soviet leader Gorbachev.

(Jennifer Spevacek, Washington Times, A4)

Budget Bills Greet Returning Congress

The budget, arms control and broadcasters' fairness doctrine top the agenda as Congress returns from a 10-day recess.

The House debates arms control -- amendments banning all but the smallest nuclear tests and requiring U.S. adherence to the SALT II Treaty.

Chief of Staff Howard Baker, on his way back from California Monday, said he didn't know "any way to stop the House" from backing the ban.

But he added: "It's a sensitive time and I believe the Congress will give the President the latitude to pursue these (arms control) matters."

The White House also complains the House budget bill cuts its defense and foreign aid requests by \$4.7 billion, while boosting domestic spending. But the bill is \$1.2 billion smaller than Reagan's request.

(Fred Anklam & Bob Minzesheimer, USA Today, A4)

MAJORITY OF AMERICANS FAVOR 'STAR WARS' PLAN

Most Americans are in favor of President Reagan's "Star Wars" program to develop a missile defense system although many mistakenly believe that the U.S. already has weapons to defend against a nuclear attack, according to a poll released yesterday.

The survey of 1,004 Americans was commissioned by the Committee on the Present Danger, a Washington-based organization.

Of those polled, 64 percent said that "the U.S. currently has a system to defend against nuclear missile attack," while 31 percent thought that statement was false and 4 percent said they did not know.

Seventy-four percent of those polled said they favored deploying an anti-missile system in the U.S. with 19 percent opposed and 7 percent with no opinion, the poll said.

The Committee on the Present Danger has been a consistent advocate for "Star Wars" and for higher levels of defense spending.

(AP story, Washington Times, A8)

CALIFORNIA AN SDI SUPERSTAR State Has Nearly half Of Project's Contracts

Nearly half of the \$10.9 billion in contracts signed so far for "Star Wars" antiballistic missile defense research have gone to companies and laboratories in California, according to a private study released Sunday.

The report by the Federation of American Scientists, an organization that has frequently criticized SDI, found that since 1983, when President Reagan launched the program, California has won Star Wars contracts worth \$4.9 billion, or 45.1 percent of the total, with Los Angeles winning 054 contracts worth \$2.6 billion and the San Francisco area winning 234 deals worth \$1.9 billion.

(AP story, Washington Post, A17)

MEESE TALKS TO FBI ABOUT WEDTECH

Attorney General Meese was interrogated by two FBI agents Friday about his knowledge of Wedtech Corp., a New York company under criminal investigation.

During the interview, Meese was told he was not the target of a criminal probe, according to a high-ranking Justice Department source.

"They specifically told him he was not under investigation," said the source. "He was absolutely not read his rights or told to prepare a defense."

(Michael Hedges, Washington Times, A1)

OIL HUNT URGED IN ARCTIC REFUGE Environmentalists Oppose Interior Dept. Plan; Hill Fight Seen

Interior Secretary Donald Hodel recommended that Congress open an Alaska wildlife refuge to oil drilling, saying potential oil resources there are "vital to our national security."

Hodel said he believes that 1.5 million acres of the Arctic National Wildlife Refuge's coastal plain could be developed without causing significant environmental damage or harming the caribou, musk oxen or other wildlife for which the refuge was set aside.

The recommendation is expected to face major opposition, however. House Interior Committee Chairman Morris Udall has joined more than 70 House colleagues in supporting a bill that would declare the area wilderness off-limits to drilling.

(Cass Peterson, Washington Post, A8)

HETEROSEXUAL AIDS MAY SURGE, KOOP SAYS Estimate Of U.S. Infection Rate Seen Too Low

The AIDS epidemic may be "on the threshold" of accelerating its spread among heterosexuals in the U.S., according to U.S. Surgeon General C. Everett Koop.

The coming year's statistics could show whether the disease will "explode" among heterosexuals as it did among homosexual males in the early 1980s, Koop said.

(Susan Okie, Washington Post, A4)

IRAN — NICARAGUA

IRAN-CONTRA TESTIMONY TALKS CALLED AT 'CRITICAL POINT'

Congressional investigators are "at a critical point" in negotiations with a key figure in the Iran-contra money trail and have been talking with another who so far has taken the Fifth Amendment, the chairman of the House panel investigating the affair said.

With little prospect of getting records through Swiss banks or the Swiss government, Rep. Lee Hamilton said congressional investigators hoped that Albert Hakim, the Iranian-born partner of retired Maj. Gen. Richard Secord, will -- along with others -- "provide access to some of the bank records -- whether all, I don't know."

Hakim, whom the lawmaker called "the financial guy" in a team that played key roles in the Iran arms sales and in providing supplies to Nicaraguan rebels, remains out of the country. Investigators do not know if he will appear as a witness, but Hamilton said he thought negotiations with Hakim's lawyers would be resolved soon.

(Mark Matthews, Baltimore Sun, A1)

RAFSANJANI: RELATIONS TURN ON U.S. POLICY Iranian Says Washington Broke Promise

TEHRAN -- Iran's relations with the U.S. need not remain poor until "doomsday," but the U.S. must first curb its support for Israel and give up its "mischievous" acts against Iran, the powerful speaker of Iran's parliament said.

In detailed and wide-ranging comments on the Iran-arms affair, Speaker Rafsanjani said at a news conference that "more...hostages would have been released" if the U.S. "had kept (its) word" with Iran during what he called "the short period" of secret contacts between the two countries.

Rafsanjani specifically complained that the U.S. had overcharged Iran for weapons, and had let Israel become involved in the affair "even though it (the U.S.) knows we hate Israel." He also reiterated that his government is still willing to use its influence with radical groups in Lebanon to free western hostages if the U.S. drops its "hostile attitude" toward Iran and releases frozen Iranian assets.

(Robert McCartney, Washington Post, A21)

CONTRA BANKING NETWORK PREDATES FALL OF SOMOZA Cayman Islands Account Is A Focus Of Probes

The secret financial network used by the Nicaraguan rebels to receive and distribute tens of millions of dollars in donations after the cutoff of U.S. military aid initially was set up in 1977 to hide the money transferred abroad by wealthy Nicaraguans fearful of a Sandinista victory, Miami banking sources say.

According to the sources, the contra network used the same Cayman Islands bank -- Banco do America Central (BAC) -- the same system of Miami "pass-through" accounts and Panamanian shell companies, and perhaps some of the same advisers. (Dan Morgan, Washington Post, A1)

NETWORK NEWS SUMMARY

(Monday Evening, April 20, 1987)

IRAN-CONTRA

CBS's Dan Rather: Did the Department of Defense help circumvent Congress and the law as part of the weapons for contras deal? The Pentagon is the target tonight of new questions about the scandal. Up to now, investigations of secret aid to the Nicaraguan rebels have focused on the White House and the CIA. But CBS News has now confirmed that the U.S. Army was also deeply involved setting up a secret pipeline even before Congress banned military aid to the contras in 1984.

CBS's David Martin: In 1983 a secret Army unit operating out of this office building in the suburbs of Washington opened an account at the Credit Swiss Bank in Geneva, Switzerland. Two years later, two and a half million dollars was withdrawn from the Army's secret account in just one day. \$75,000 of that was used to...carry arms to the contras at a time when U.S. military aid was barred by law. Bank records show two of the people authorized to withdraw money from that Army account were Oliver North and Richard Secord -- key figures in the sale of arms to Iran and the alleged diversion of money to the contras. Until now, the Pentagon has insisted its only role in the affair was to provide the weapons which were sold to Iran. The existence of this account opens up an entirely new and previously unsuspected connection between the Pentagon and the secret operations of Oliver North -- records which might explain who in the Army authorized the account and why either never existed or have since disappeared. However, two sources say it appears the account was set up in anticipation of a Congressional cut-off of aid to the contras. In addition to North and Secord, at least two other names appear on the account -- William Golden, an Army intelligence officer who worked for Business Security International, a front company used by the Army to support secret operations; Joel Patterson, a civilian who also worked for Business Security International. Patterson is known in intelligence circles as an expert in the secret movement of funds. He denies any knowledge of the Swiss bank account.

(Joel Patterson: "Most ridiculous thing I've ever heard. Really I have no more to say other than that.")

The Army initially said it had no evidence that such a bank account existed, but after CBS News provided the account number, the Army began an inquiry which has now been taken over by the special prosecutor investigating the Iran-contra affair. (CBS-Lead)

LINNAS

NBC's Tom Brokaw: Is he a Nazi war criminal guilty of killing 2,000 people at a concentration camp or is he the victim of a Soviet judicial system determined to punish him for his anti-Communist views? His name is Karl Linnas and tonight he is scheduled to be deported from the United States, sent back to the Soviet Union where he has already been sentenced to death.

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Brokaw (continues): Linnas as been living in this country as a citizen since 1959, but the U.S. Supreme Court ruled today he can stay here no longer.

NBC's Carl Stern: Linnas was whisked to New York's Kennedy airport just hours after the Supreme Court cleared the way for his deportation. He called it kidnapping and murder.... In court Linnas' lawyer had argued that the Justice Department was caving in to Soviet demands to expedition and that Linnas was not a mass murderer as the Soviets claimed. But Justice Department lawyers said there was plenty of evidence that Linnas lied about his Nazi past when he entered the U.S. after the war.... Anti-Communist groups and some notable conservatives, including Patrick Buchanan and William Buckley contended the Russians had made up the evidence to get at Linnas for being an anti-Communist. They said the U.S. should not be showing respect for Soviet justice.

(Attorney General Meese: "Our responsibilities under the law are to deport him. This is the order of the court and we have the obligation to carry that out.")

Linnas was scheduled to fly aboard a Czechoslovakian airliner... The Attorney General said the U.S. had no assurances how he'd be handled once we gets there. (NBC-Lead, ABC-Lead, CBS-2)

JAPANESE TRADE

Brokaw: Despite the stiff tariffs imposed by the United States last week on some Japanese goods, American officials insisted today that this trade dispute must not be allowed to blow-up into a trade war. But for now, neither side appears ready to back down.

NBC's Chris Wallace: American Trade Representative Yeutter was in Tokyo today telling Japanese officials the U.S. wants action, not more words to resolve the big trade imbalance. Japan's top priority, Yeutter said, should be to stimulate domestic demand -- a point Treasury Secretary Baker echoed on NBC's "Today" program.

(Secretary Baker: "Countries that are running major trade surpluses -- we'd like to see them stimulate their economies, adopt some supply-side economic measures which would permit them to grow more and absorb more imports.")

Japan had its own envoy in Washington with a different agenda. Former Foreign Minister Abe telling Vice President Bush the U.S. should lift those new 100 percent tariffs. Still with some in Congress demanding even tougher action, Bush indicated the issue will not be settled before Prime Minister Nakasone meets with the President here next week.

(Vice President Bush: "There's no lessening in our desire for free and fair trade.")

But a Commerce Department official resigned today, in part because he says the White House is caving in to protectionist pressures, blaming Japanese trade barriers when the real problem, he said, is U.S. companies just aren't aggressive about selling their goods overseas.

-more-

Brokaw continues:

(Gerald Marks: "We have a tendency to try to blame others for our problems. The fact is that we have met the enemy and he is us.")

At one electronics store today, most customers supported the tariff, but some said they will keep buying Japanese, even if prices go up.

(Mark Russilo, customer,: "We have to do things that are going to benefit our workers. I think we also have to try to get our industrialists to see that we have to build a better product.")

Under pressure from all sides then, the President has embarked on a delicate operation -- to be tough enough towards Japan to prevent Congress from getting even tougher, to fight selected trade battles in order to avoid an all-out trade war. (NBC-2, ABC-10)

Rather: United States trade protection is already taking it's toll on Japanese exporters and Congressional leaders now are predicting passage of more new trade barriers soon. But today in Tokyo, President Reagan's representatives made no progress in trying to get Japan to stop protecting it's own markets and reduce its trade surplus by taking more U.S. exports.

CBS's Barry Peterson: ...U.S. Trade Representative Yeutter and Agriculture Secretary Lyng insisted that American rice be sold here. They were met with smiles, handshakes and a firm no....

(Trade Representative Yeutter: "It is not protectionist in any sense of the word -- that is intended to be a temporary action.")

...Commerce Secretary Baldrige made it clear today that Korea may be the next target of American "get-tough" protectionism.

(Secretary Baldrige: "Our industries and our Congress are taking a much closer look at trade barriers and needless to say, they don't like what they see.")... (CBS-4)

LONETREE

ABC's JENNINGS: A key witness in the Marine embassy scandal is said to have changed his story. A lawyer for the first Marine arrested, Sgt. Clayton Lonetree, says the key witness against his client, a Marine corporal, has withdrawn his original statement that Lonetree allowed Soviet agents to roam around the embassy and without that testimony, said Lonetree's lawyer, the government doesn't have a case. There's been no comment from the Marines. (ABC-3, CBS-6)

JAPANESE AMERICANS

JENNINGS: There was another echo from WWII at the court today.

Not for the first time, Japanese Americans are trying to erase the losses which they suffered when they were unceremoniously rounded up and put in camps. Today some of those, in turn, and the descendants are suing the government for the property they lost when they were put behind the barbed wire.... (ABC-2, CBS-3)

PLO

Brokaw: In Algiers today, the PLO met to discuss new calls for a homeland and to show off renewed unity after three years of fighting each other, fighting the Israelis, the Amal and the Christian forces of Lebanon. The various factions of the PLO came together and they were all determined to sound the call to arms....

(NBC-2, ABC-4, CBS-7)

ABUL ABBAS

Brokaw: Abul Abbas is under indictment in this country for the highjacking of the Achille Lauro in 1985. The State Department, asked by NBC News if it would seek the extradition of Abbas from Algiers. The United States said it was not aware that Abbas was at that PLO conference.

(NBC-3)

ENVIRONMENT

Jennings: The beginning of another round today in the political battle about the environment. The Interior Secretary Donald Hodel has recommended that drilling for oil be allowed in the Arctic National Wildlife Refuge in Alaska. Those opposed, including 78 Congressmen and Senators, say drilling will threaten the wildlife there, particularly the caribou and that all development should be permanently banned....

(ABC-8, CBS-9)

MAXWELL TAYLOR

Jennings: General Maxwell Taylor has died. He was 85. General Taylor lead the 101st Airborne Division at the Invasion of Normandy during WWII. He later served as chairman of the joint chiefs of staff and as the U.S. Ambassador in South Vietnam. Defense Secretary Casper Weinberger said today that Taylor epitomize what it means to be a soldier, a diplomat and a scholar.

(NBC-5, ABC-6, CBS-8)

-End of B-Section-

EDITORIALS/COLUMNISTS

ARMS CONTROL/SHULTZ'S TRIP TO MOSCOW

Is An Arms Control Deal 'At Hand'? -- "President Reagan has, paradoxically, been the most reluctant President since the beginning of serious arms control negotiations and the most successful in pressing the Soviet Union into concessions. These two things are related, but the time to capitalize upon President Reagan's success is rapidly coming to an end. Even from the Administration's point of view, it is better to cut the deal now than to leave it to a successor, who would have a hard time getting into the position in which President Reagan's is now to make an advantageous deal.... It is hard to believe that the next president will be as stubborn in this area as President Reagan has been.... President Reagan has a historic opportunity to strengthen the security of the United States and its European allies by pressing the arms control discussions to a successful conclusion. He should not let the romantics around him prevent him from taking it." (Chicago Tribune, 4/17)

Go For It! -- "So we urge the Reagan Administration to seize the opportunity, advanced during Secretary of State George Shultz's meeting with Mikhail Gorbachev, to draw down the two sides' medium- and short-range missiles in Europe.... Washington can find the courage not to fear an accord that would reverse the nuclear buildup -- the President's own goal." (The Christian Science Monitor, 4/17)

Coming Back To A Search For Enduring Peace -- "Reagan's PR experts would dress a U.S. summit as the millenium, so what's new? They did as much with the facelift of the Statue of Liberty. Manufacturing silk purses from sow's ears is their trade. Recently, they've been stoking the spy scare, trotting out the Gipper in righteous dudgeon much like that of the musical comedy Texas governor's discovery of a whorehouse. Bugging and sex traps are fixtures of the spook game. What's new is the way we're getting creamed at it on Reagan's watch.... The hope for arresting this melancholy chain is that it will force a rational debate on U.S.-Soviet relations in next year's campaign. We had a strategy once of maintaining security with one hand while searching with the other for ways to reduce nuclear armament and move toward enduring peace. We need to come home to that kind of common-sense pragmatism."

(Jim Fain, Atlanta Journal, 4/15)

'Proceeding' With Moscow -- "At Reykjavik, President Reagan had let himself be drawn unprepared into a wild bargaining session in which he moved on his own toward decisions affecting the allies' vital interests. A major crisis of confidence resulted. In leaving Mr. Gorbachev fretting and then flying off to Brussels, Mr. Shultz was conducting diplomacy the old-fashioned Atlantic way. Mr. Reagan usefully reinforced the point in his own statement yesterday afternoon.... On strategic defense in particular, a large gap remains. The Moscow talks, which covered spying, human rights and a range of other issues, bore out Mr. Reagan's recent characterization of Soviet-American relations as 'proceeding --no great cause for excitement, no great cause for alarm.' With everything, that's not so bad." (Washington Post, 4/16)

Tuesday, April 21, 1987 -- C-2

'What Are you Afraid Of?' -- "We assume that Secretary Shultz will assure the NATO ministers that there is nothing to be afraid of at all.... While Secretary Shultz was trading toasts in Moscow, in short, the Soviets were opening yet another merciless attack on Afghan civilians and a wholly new attempt to insert their tankers and navy into the oil-supply lines of Europe.... Implicitly the Reykjavik summit and the 'zero option' ask the European allies to take some responsibility for arms control. Instead of appeasing their domestic left demanding that President Reagan prove his 'sincerity,' the NATO leaders now must either accept or oppose an agreement they privately find distasteful. But the agreement would go away overnight if Helmut Kohl or Margaret Thatcher stood up in public and said it threatened national security. Why don't NATO leaders say in public what they say in private? As the Soviets asked, 'What are you afraid of?'"
(Wall Street Journal, 4/16)

Love The Bomb -- "A healthy respect for the bomb, an awareness of what it has allowed free society to become and gratitude for that, should be ever on the minds of those in and out of government who seem so eager to do away with it."
(Washington Times, 4/16)

Behind The Smoke, An Arms Deal -- "Wave away all the smoke and three points stand out -- two sides reaffirmed their virtual accord to destroy all medium-range missiles in Europe and retain 100 elsewhere; Mr. Gorbachev added a dramatic new element, elimination of all Soviet shorter-range missiles from Eastern Europe within one year; now that Moscow has offered more than Western leaders ever dreamed possible, the West should accept in principle and get on with negotiating the hard details of arms control."
(New York Times, 4/16)

Treatymania -- "Mr. Shultz may be having a simply mah'v'lous time, dollink, feeling very important, with the future security of the world resting on his broad and capable shoulders. What will the rest of us get out of al this folderol? A hope that someday maybe the United State and the Soviets will sign yet another arms control treaty that offers the false hope of reducing the nuclear danger -- and which both sides feel free to violate when they feel it will serve their interests? Spare us.... The process may provide low-grade entertainment for the rest of us, but as presently practiced it will reduce neither the number of weapons nor the amount of tension in the world. That reduction will occur when (if) the Soviets abandon aggressive intentions and the United States believes them. It may never happen. If it does, it will not be the result of signing a treaty."
(Orange County Register, 4/15)

Hope For Arms Control Treaty -- "A superpower arms deal may not be inevitable. But Secretary of State George Shultz' meetings with Soviet leader Mikhail Gorbachev, followed by conferences with European allies in Brussels and a briefing of President Reagan in Santa Barbara, do hold real hope that a treaty to remove medium-range nuclear missiles from Europe may be signed by the end of the year.... The Reagan Administration, however, should remain committed to the clear priority it outlined in a recently released national security strategy report: 'While the possible use of nuclear weapons must remain an element in our overall military strategy, nuclear forces should never be viewed as simply a lower-cost alternative to conventional weapons.' That principle should be recognized and supported by European leaders. The world community cannot afford failure at this stage."
(Dallas Times Herald, 4/17)

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FOREIGN MEDIA REACTION

ARMS CONTROL

"If an accord is now within reach, it is partly because they have always given the impression of wanting one.... But now it seems that the possible disappearance of Euromissiles has again conjured up the specter of European-American 'decoupling' at a time when the USSR's advantage in conventional arms is greater than ever."

(Tribune de Geneve, Switzerland)

"NATO and the United States then said if and but to the agreement, requesting special verifications; Gorbachev accepted them.... NATO cannot turn back now...but it faces the devil's alternatives: either accept proposals and enter into a deep crisis of strategy reform, or reject them and enter into a political crisis and ensuing loss of confidence."

(El Pais, Spain)

"It is precisely the present Administration that has coarsely trampled on the temporary agreement on SALT I, and the SALT II Treaty.... It is precisely the Reagan Administration that does not stop undermining the ABM Treaty, which is regarded by the Pentagon as an obstacle on the way to the implementation of its Star Wars program."

(TASS, Soviet Union)

"Even when their interests coincide as they do now, these ideological antagonists can always cause unpleasant surprises.... Nevertheless, Shultz and Shevardnadze have made a significant, if not decisive, step which opens the door to the third and maybe most fruitful meeting of Reagan and Gorbachev."

(Nin, Yugoslavia)

"The success in the INF negotiations can expand the thawing in East-West relations and will benefit the Korean peninsula's political situation."

(Kyunghyang Shinmun, South Korea)

"Still they (the U.S. and Soviets) think the task to be finished is tough and heavy.... In a word, U.S.-Soviet relations have developed with ups and downs and will develop in the same manner in the future."

(People's Daily, China)

"On the face of it, the U.S. Secretary of State, Mr. George Shultz, has had a fairly successful visit to Moscow.... But in terms of substantive and propaganda advantage, one would have to say that the Russians clearly won this round."

(Straits Times', Singapore)

"There has been definite progress toward concluding an INF agreement between the two superpowers as well as on shorter intermediate-range missiles. It is indeed a welcome development, though some people may say that Moscow has stolen the show from Washington."

(Indonesia Times, Indonesia)

"The sheer scope of Gorbachev's offer...has taken Shultz by surprise and left him, in effect, without a brief."

(Hindustan Times, India)

"Reagan returns to Washington refreshed by a week's holiday and strengthened politically by the prospects of a third summit with Gorbachev."

(Gulf Times, Qatar)

-End of News Summary-