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News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, MAY 20, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

TRIP NEWS

'Just Say Yes To Education,' Reagan Urges -- Flanked by tiers of colorful caps and gowns President Reagan urged area graduating seniors to shoulder their responsibilities and say no to drugs.

(Chattanooga New-Free Press, Chattanooga Times, Washington Times)

INTERNATIONAL NEWS

Fleet's Orders: Shoot First, 'Ask Questions Later' -- President Reagan's new orders to commanders of U.S. warships in the Persian Gulf give them more freedom to shoot down hostile aircraft "and ask questions later," a Pentagon official said.

(Christian Science Monitor, Wall Street Journal, Washington Post, Washington Times, Reuter)

IRAN-NICARAGUA

Owen: Casey Knew Everything North Was Doing -- Robert Owen testified that he believes the late William Casey, then CIA director, was behind Oliver North's secret network that funneled weapons to the contras.

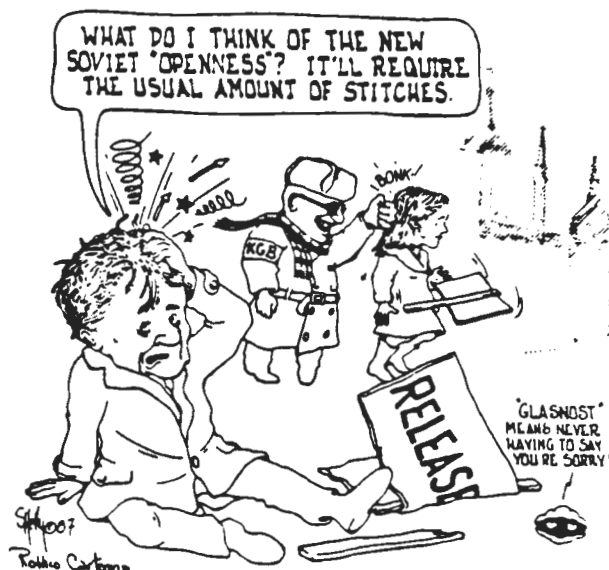
(Wall Street Journal, Washington Post, AP, Copley, Newhouse, Scripps Howard)

NETWORK NEWS (Tuesday Evening)

USS STARK -- At least 37 sailors are dead as a result of the Iraqi attack on the USS Stark.

IRAN-CONTRA -- Robert Owen denied breaking any laws but told of conversations with Oliver North about going to jail.

WEBSTER -- The Senate confirmed William Webster as head of the CIA.



TRIP NEWS

REAGAN PRAISES SCHOOLS Puts Challenge To Seniors Here

CHATTANOOGA -- President Ronald Reagan challenged 3000 cheering graduating seniors of the Chattanooga and Hamilton county school systems to "be all you can be" to help shape the destiny of this nation in the 21st century.

"Nothing is more important to opening up the opportunities of our country than finishing high school" the President continued. "So if you have a friend who didn't make it or who is thinking of quitting, could you do something for me? Ask them to give it another try. Tell them they can do it if they stick with it."

The chief executive lauded the "good work" of members of Students Staying Straight. "We can't expect excellence in an environment of drug permissiveness. It's time to get drugs off our campuses and out of our school yards."

(Jeff Powell & Ronnie Moore, Chattanooga News-Free Press, A1)

'Just Say Yes To Education,' Reagan Urges

CHATTANOOGA -- Flanked by tiers of colorful caps and gowns President Reagan urged area graduating seniors to shoulder their responsibilities and say no to drugs.

"So many of you have helped your friends 'just say no' to drugs. Help your friends 'just say yes' to finishing school," Reagan said in a commencement address at the University of Tennessee-Chattanooga arena to about 9000 seniors, teachers and parents.

Before a banner that said "Education for America's Future," Reagan told seniors representing 13 city and county public high school, he came to congratulate them.

(Wade Rawlins, Chattanooga Times, A1)

Reagan Tells Students To Say No

CHATTANOOGA -- President Reagan took his campaign against drugs and permissiveness here, urging graduating high school seniors to "stand shoulder to shoulder against this evil that undermines the moral fiber of the nation.

He took aim, in particular, at the movie and recording industry for portraying drug use in a "positive, upbeat way."

(Washington Times, A2)

REAGAN PAYS TRIBUTE TO VICTIMS,
SAYS IRAN IS 'THE REAL VILLAIN'

CHATTANOOGA, Tenn. -- President Reagan paid an emotional tribute to "our heroes" who died in the Iraqi attack on the USS Stark and said Iran "was the real villain in the piece" because it had refused to negotiate an end to the 6½-year war.

Reagan ordered that flags be lowered to half-staff in memory of the 37 crew members killed when one or more missiles launched by an Iraqi fighter struck the guided missile frigate Sunday in what the President said was "a tragedy that must never be repeated." And in an interview and a speech to high school students, Reagan vowed that the U.S. would keep oil supplies flowing through the Persian Gulf.

He was loudly applauded by an audience that had sat quietly through a speech in which Reagan exhorted American students to work harder and denounced the glamorizing of drug use.

Reagan's speech here today, to a commencement gathering of 13 area high schools, compared American schooling unfavorably to Japanese education. The President said that in this country "everyone made excuses," such as poverty or family problems, when a student performed poorly.

"In Japan, the message to students was always, you're responsible for what you make of your life," Reagan said. "In the U.S., too often, it was that you aren't."

(Lou Cannon, Washington Post, A23)

Reagan Tells Military: 'Defend Yourselves'

CHATTANOOGA -- President Reagan declared that U.S. military forces have been told to "defend yourselves" as the death toll from the Iraqi attack on a Navy frigate mounted to 37 and the Senate Republican leader demanded a reassessment of the U.S. military posture in the Persian Gulf.

In an interview with Chattanooga area newspapers, Reagan said the Administration is waiting to find out why the guided-missile frigate didn't return fire at the attacking Iraqi missile-firing plane in the 60 to 90 seconds such a response would have been possible.

"We're waiting to find out now is what exactly was the situation on the ship and the attitude, and why they...hadn't prepared," Reagan said. He noted that "general quarters hadn't been sounded, as it might be, if a hostile plane were coming into the area."

(Norman Black, AP)

INTERNATIONAL NEWS

SHIP'S CREW SAID UNAWARE OF IRAQI MISSILE ATTACK

MANAMA, Bahrain -- The commander of U.S. naval forces in the Persian Gulf, Rear Adm. Harold Bernsen, said he believes the captain and crew of the USS Stark did not think they were under missile attack from an Iraqi warplane and may have discovered their peril only when a lookout screamed that the ship was about to be hit.

Bernsen said the two missiles that hit the ship did not emit electronic "lock-on" signals typical of French-made Exocet missiles, the type reportedly fired by the Iraqi pilot. In the absence of such signals, the Stark's radar was incapable of picking up the missiles, he said.

(Patrick Tyler, Washington Post, A1)

Fleet's Orders: Shoot First, 'Ask Questions Later'

President Reagan's new orders to commanders of U.S. warships in the Persian Gulf give them more freedom to shoot down hostile aircraft "and ask questions later," a Pentagon official said.

Lt. Gen. R.A. Burpee, director of operations for the Joint Chiefs of Staff, interpreted the new rules of engagement to mean that the captain of U.S. warship in the volatile region "can now say, we'll take him (a hostile aircraft) and ask questions later."

(James Dorsey, Washington Times, A1)

Saudi Jets Refused Request By U.S. To Intercept Iraqi

Two Saudi Arabian F15 fighters refused a U.S. Air Force request to intercept an Iraqi aircraft after it attacked the USS Stark in the Persian Gulf, Defense Department sources disclosed.

The Saudi refusal has infuriated Pentagon military leaders who have learned about it and may provoke protests in Congress at a time when U.S.-Saudi relations are under scrutiny in the Iran-contra hearings. "You better believe we're angry about it," said one official, who asked not to be identified.

(George Wilson, Washington Post, A1)

Stark's Crew Never Knew What Hit Them

MANAMA, Bahrain -- The crew of the U.S. ship blasted by an Iraqi missile attack Sunday knew an Iraqi pilot had locked the ship on his radar, but didn't know he had fired any missiles, the commander of U.S. forces in the Persian Gulf said.

Adm. Harold Bernsen said he did not think the captain of the frigate USS Stark, Cmdr. Glenn Brindel, was on the bridge when the attack occurred. He said it did not appear the crew tried to fire at the Iraqi aircraft or missiles during the attack.

(Washington Times, A1)

Stark's Agony Ends, Inquiry Begins Into Exocet Missile Attack

MANAMA, Bahrain -- Military experts remain baffled why the USS Stark failed to anticipate the mistaken Iraqi missile attack that killed 37 sailors in the Persian Gulf.

U.S. investigators were arriving to begin a probe of the incident, including why the frigate failed to activate its anti-missile defenses when it knew Iraqi warplanes were approaching.

Rear Adm. Harold Bernsen, commander of U.S. ships in the region, told reporters that the ship had been on alert state three, meaning all weapons were manned and ready for use. (James Foley, Reuter)

U.S. Reaffirms Its Intention To Protect Kuwaiti Tankers Despite Attack By Iraq

A senior Reagan Administration official said that, despite Sunday's attack on the USS Stark, the Administration will follow through on its agreement to protect Kuwaiti tankers in the Persian Gulf, with the first of the tankers ready to sail in a few weeks.

Richard Murphy, assistant secretary of state for Near Eastern and South Asian Affairs, told Congress that despite the attack in which 37 American crewmen were killed, the Administration plans to register the Kuwaiti tankers under the U.S. flag, giving them "the U.S. Navy protection given any U.S.-flag vessel transiting the gulf." The balance of 11 tankers set for U.S. protection would be ready by mid-July.

(Robert Carrington & Tim Carrington, Wall Street Journal, A3)

New Accord To Let Kuwaiti Tankers Fly U.S. Flag

The Reagan Administration, facing an increasingly skeptical Congress, said it had reached "general agreement" with Kuwait to fly U.S. flags over 11 Kuwaiti oil tankers and that the first of those tankers could be operating in the Persian Gulf "within weeks."

But Senate Minority Leader Robert Dole, expressing growing concern on Capitol Hill, called for "a special, renewed examination" of the agreement. Saying the plan "may still make sense," Dole urged the Administration "to take a new look...in light of Sunday's tragedy."

Assistant Secretary of State Richard Murphy, calling the arrangement an "unusual measure to meet an extraordinary situation," told a congressional committee that he believes the U.S. flag and U.S. naval protection for Kuwait's tankers would deter Iran from continuing its stepped-up attacks against Kuwaiti oil exports.

(Don Oberdorfer & Molly Moore, Washington Post, A22)

Wary U.S. Officials May Consult Soviets On Gulf

The U.S. may consult with the Soviet Union about protecting international shipping in the Persian Gulf, even though the Reagan Administration does not want Moscow to enhance its influence in the region.

Asked if Washington would respond to a Soviet proposal for superpower cooperation in the Gulf, State Department spokeswoman Phyllis Oakley replied that there were discussions with the Soviets on a wide variety of issues, and consultations on Gulf navigation "could not be ruled out.

(Richard Beeston, Washington Times, A5)

Gulf Attack Could Spur New Efforts To Resolve Iran-Iraq War

The latest incidents in Persian Gulf waters, including the accidental Iraqi air attack on the USS Stark, come at a time when the Iran-Iraq conflict appears to be stalemated, both militarily and politically.

But, regional analysts say, the war's shift of focus to attacks on Gulf shipping, and the growing involvement of the two superpowers, carry the 6½-year-old war into a new phase of heightened dangers -- and, perhaps, increased chances of resolution.

(Jim Muir, Christian Science Monitor, A1)

GORBACHEV OFFER ASIAN MISSILE PLAN

Would Scrap SS20s If U.S. Removes Arsenals, Restricts Carriers

MOSCOW -- The Soviet Union offered to scrap all of its medium-range SS-20 missiles in Asia if the U.S. agrees to withdraw its nuclear arsenals deployed in Japan, South Korea and the Philippines, and to restrict the movement of U.S. aircraft carriers in the region.

Gorbachev's proposal, seen as a bid to boost the Soviet image in Asia, also would expand the scope of negotiations on a medium-range missile treaty to include weapons of different types and shorter ranges, such as naval vessels and battlefield weapons.

A senior State Department official said Gorbachev's proposal was raised previously by other Soviet officials and rejected by the U.S. because there are no U.S. weapons in Asia comparable to the Soviet SS20.

(Gary Lee, Washington Post, A26)

HOUSE AGAIN OPPOSES NUCLEAR TESTS; SENATE STILL STALLED ON SDI LIMITS

The House reasserted its opposition to nuclear-weapons testing as the Senate failed for a second time to move forward on proposals to restrict testing of SDI.

The contrasting actions of the two chambers underscored the perils facing arms-control initiatives in the Democratic-controlled Congress, where the House has been resolutely churning out arms constraints only to see them run into procedural and other obstacles in the Senate.

(Helen Dewar & Edward Walsh, Washington Post, A4)

More Arms-Control Items Tacked Onto Defense Bill

The House, heading for a confrontation with President Reagan, added two more arms control measures to their \$289 billion defense authorization.

Voting generally along party lines, the House approved 234-187 to ban nearly all U.S. nuclear weapons tests. They also voted 229-188 to extend a current moratorium on tests of the final stage of an Air Force anti-satellite system.

(Jennifer Spevacek, Washington Times, A3)

GALVIN SAYS F5S FOR HONDURAS
WON'T SPARK LATIN ARMS RACE

Selling U.S.-made F5E jets to Honduras would not set off a Central American arms race; instead it would be like replacing a 1947 Ford with a 1987 Ford, the region's top U.S. military official said.

Gen. John Galvin, commander of the U.S. Southern Command, and Elliott Abrahms, assistant secretary of state for inter-American affairs, rejected charges from Western Hemisphere subcommittee Chairman George Crockett and other Democrats that the proposed \$75 million sale of 10 F5E jets and two F5s would spark "reactive purchases by Nicaragua and possible El Salvador."

(Joanne Omang, Washington Post, A4)

BRACY'S TESTIMONY MAY LET
PROSECUTORS REVIVE KEY EVIDENCE

Marine Cpl. Arnold Bracy, accused of allowing Soviet agents into the U.S. Embassy in Moscow, testified publicly for the first time, telling a military investigator that he is a deeply religious person who said no to drugs, alcohol and Playboy magazine.

Prosecutors, pressing what White House officials have conceded is a weak case, seized on the 21-year-old's statement and said they intend to use it to try reintroducing one of the case's most controversial pieces of evidence.

That is another Bracy statement, since recanted, in which he allegedly said he and another Marine allowed KGB agents to examine some of the embassy's most sensitive areas.

(Bill McAllister, Washington Post, A4)

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IRAN — NICARAGUA

CIA TIED TO CONTRA AID AFTER BAN

Owen, North's Latin Contact, Says Agency Gave Military Assistance

Robert Owen, who served as then-National Security Council aide Oliver North's main contact with the Nicaraguan rebels, provided the first detailed testimony that CIA personnel in Central America and Washington assisted the contras militarily after Congress had banned such aid.

Owen described how the CIA had provided military maps, helped locate a site for a clandestine air base in Costa Rica, and attempted to help transfer munitions from one contra faction to another.

He also said that Tomas Castillo, an alias for the CIA station chief in Costa Rica, had helped get weapons and food for contras inside Nicaragua. Castillo also was regularly in touch with North and U.S. Ambassador to Costa Rica Lewis Tambs as they attempted to put together a viable fighting force along the border with Nicaragua, known as the "southern front," Owen testified.

Sen. David Boren, chairman of the Senate Select Committee on Intelligence, noted that Owen's testimony contradicted what the CIA's Central American task force chief had told his panel last December.

(Dan Morgan & Walter Pincus, Washington Post, A1)

Owen: Casey Knew Everything North Was Doing

Robert Owen testified that he believes the late William Casey, then CIA director, was behind Oliver North's secret network that funneled weapons to the contras.

Owen, North's bagman in the contra supply operation from 1984 to 1986, told congressional committees investigating the Iran-contra scandal, "It's my personal belief Director Casey knew everything Col. North was doing."

The former National Security Council aide, Owen said, toiled "under the wing of certain people in the Administration."

(Lance Gay & Walter Friedenberg, Scripps Howard)

North Courier Tells Of Failed Attempt To Deliver Arms To Contras

Robert Owen, Lt. Col. Oliver North's liaison with the anti-Sandinista rebels in Nicaragua, testified that the CIA assisted him in a failed effort to deliver arms to the contras.

Owen said the ill-fated attempt to deliver arms to the contras occurred in March 1986, when the Boland amendment was in force. Involved in the effort were the CIA station chief in Costa Rica, who was not identified, and Col. James Steele, the head of the U.S. military assistance group in El Salvador, Owen testified.

Owen said he was ordered by North to accompany an air shipment of medical supplies provided by the State Department's humanitarian assistance program that was being flown from Washington to Central America. After the medical supplies were delivered, Owen said, the plane was supposed to pick up weapons for delivery to the contras.

But the weapons were not there when the Southern Air Transport L-100 arrived in Central America, Owen said. He testified that he pressed CIA officials and Steele into action in a fruitless effort to find the arms.

(Marcus Stern, Copley)

Owen Tells Of Role In 'Nonlethal' Aid To Contras As He Assisted Arms Network

Conservative activist Robert Owen testified that the Reagan Administration gave him a role in its Nicaraguan "humanitarian" aid program from which he also assisted the secret contra arms network overseen from within the White House.

Owen said he had been told an interagency group including representatives of the National Security Council, State Department and Central Intelligence Agency had made the decision to give him a State Department contract to work in the effort to provide so-called "nonlethal" aid to the contras. At the time, Congress had prohibited U.S. military aid to the insurgents.

But Owen said that while under the contract, he continued to work for the arms network under directions from fired NSC aide Lt. Col. Oliver North, who was in close contract with then CIA-Director William Casey.

From his position as a State Department contractor, Owen was able to travel frequently to Central America in 1985 and 1986. He said that on his trips he served as the "eyes and ears" of Col. North.

(David Rogers & Edward Pound, Wall Street Journal, A14)

Owen Says Casey Knew About Contra Aid Effort; North Was To Be Fall Guy

Robert Owen, a key operative in the clandestine U.S. aid program to the Nicaraguan contras, says former CIA Director William Casey knew in detail about Lt. Col. Oliver North's activities and agreed that North would be the "fall guy" should the covert scheme become public.

Owen also said he had heard complaints from contra leaders that U.S. middlemen had taken heavy markups on the prices of weapons sold to the contras -- as much as 300 percent in one instance, according to one senator.

Those complaints are likely to be echoed today when Adolfo Calero, leader of the largest rebel fighting force, appears at the witness table.

(Jim Drinkard, AP)

Owen's Testimony/Question Of Legality

Insisting that he violated no law while working as a courier between National Security Council aide Oliver North and the Nicaraguan contras, Robert Owen nonetheless says he and North joked about going to jail for their activities.

But asked by Rep. Louis Stokes when did he first realize that he was involved in "criminal conduct," Owen bristled, saying, "Sir, I haven't admitted I was engaged in criminal conduct. I think that's unfair."

Owen testified that North was resigned to being "the fall guy if this story ever broke." And he said he believed so strongly in the Reagan Administration's efforts to stop the spread of communism in Latin America that he was willing to take risks, including the risk of imprisonment.

(Robert Gettlin & Robert Lewis, Newhouse)

A True Believer Ensnarled; Owen Shows Awareness Of Possible Illegality

For Robert Owen, an earnest true believer in Oliver North's multiple secret operations, it all came down to the cause. He was willing to risk everything, including his life, he told Iran-contra investigators, if it contributed to stopping communism in Central America.

His account of furtive, admittedly "questionable" behavior, of "walking a very fine line" between legality and illegality, contrasted sharply with President Reagan's most recent assertion that there was nothing untoward about those like Owen who assisted the Nicaraguan contras.

Reagan insisted last Friday that "there is nothing in the law that prevents citizens -- individuals or groups -- from offering aid of whatever kind they wanted to give."

But the story Owen told...showed that he and Marine Lt. Col. Oliver North -- whom he called "Blood and Guts" and described as his covert "Godfather" -- realized they were engaged in potentially illegal acts. They even joked about going to jail for their activities, the tall, slim, cherubic-looking Owen testified.

(Haynes Johnson, Washington Post, A1)

SWISS SET RELEASE OF BANK DOCUMENTS
Neither North Nor Secord Appeals Ruling

GENEVA -- Swiss authorities said that bank account documents related to the Iran-contra affair would be made available to U.S. investigators within the next two weeks.

The way was cleared for release of most of the documents when only two of the account holders involved appealed a Swiss government decision to open the accounts by the deadline yesterday. The two who appealed are Manucher Ghorbanifar and Albert Hakim.

(John Parry, Washington Post, A13)

EDITOR'S NOTES: "The Testimony Of Robert Owen," appears in The Washington Post, A12.

"FBI's Unusually Close Relationship With North Slated To Be Major Area Of Iran-Contra Hearings," by Andy Pasztor, appears in The Wall Street Journal, A72.

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NATIONAL NEWS

REAGAN UNVEILING GUIDE FOR SCHOOLS IN POOR AREAS

President Reagan unveiled a guide intended to help transform schools in inner cities and other pockets of poverty into a "ladder for success" for disadvantaged children.

The how-to booklet, "Schools That Work: Educating Disadvantaged Children," is the third in a series of guides for parents and educators prepared by the Department of Education.

It profiles nearly two dozen schools and programs that have rung up sterling achievement scores and low drop out rates in the depressed surroundings that are usually synonymous with failure and fractured lives.
(Christopher Connell, AP)

Reagan Continues Education Blitz

President Reagan, back from promoting his educational goals in Tennessee, held the spotlight on schools again with a ceremony to unveil a handbook, "Schools That Work; Educating Disadvantaged Children."

The booklet, to be presented to the President by Education Secretary William Bennett, concludes that school is the single best avenue for moving Americans out of poverty and offers several recommendations for upgrading schools that serve mostly low-income students.
(Helen Thomas, UPI)

Bennett: Schools Education Combats Poverty

A first-rate education is a potent weapon against poverty, Education Secretary William Bennett told President Reagan today as he delivered the third booklet in the Education Department's "what works" series.

"We now know what works in educating disadvantaged children," said Bennett, who gave Reagan the handbook during a White House ceremony, "and it's time to get at it."

The 80-page handbook, "Schools that Work, Educating Disadvantaged Children," said "schools in low-income areas face a difficult challenge" because of high crime rates, drug abuse and parents with limited educational backgrounds. But it concludes that "good schools make a difference" in overcoming even the most severe effects of poverty.

(Tamara Henry, UPI)

SENATE OVERWHELMINGLY CONFIRMS WEBSTER AS NEW CIA DIRECTOR

The Senate overwhelmingly confirmed the nomination of FBI Director William Webster as director of the CIA.

The Senate approved the Webster nomination 94 to 1, with Sen. Harry Reid dissenting because of what he said were lingering questions about FBI conduct during a series of criminal investigations in his home state.

(Tom Kenworthy, Washington Post, A3)

ADMINISTRATION, LAWMAKERS SPAR OVER 'DOUBLE DIPPING' OF FARM SUBSIDIES

Although Congress has paid only moderate attention, the Reagan Administration's message (on farm subsidies) generally has been consistent: Federal subsidies to farmers tend to encourage overproduction and cost the government additional millions to acquire and store the surpluses.

Richard Goldberg, a deputy undersecretary of agriculture recently went to Congress to talk about subsidies, but this time the message was different. The Administration opposed a bill that would curtail the double subsidy some western farmers received from growing surplus crops with federal irrigation water.

The bill introduced by Rep. Samuel Gejdenson would require farmers who receive new or expanded irrigation benefits to pay the full cost of any water they use to grow surplus crops that are eligible for subsidy payments.
(Ward Sinclair, Washington Post, A6)

LAWMAKERS CRITICIZE CLOSING OF GENERAL DYNAMICS PROBE

Members of Congress sharply criticized the Justice Department for closing a three-year investigation of General Dynamics Corp.'s submarine contracts without bringing charges.

Sen. William Proxmire said the decision "shows the Justice Department is not serious about defense fraud." He called the department's reasoning "baffling and disappointing."
(Howard Kurtz, Washington Post, A5)

-End of A-Section-

NETWORK NEWS SUMMARY

(Tuesday Evening, May 19, 1987)

ATTACK ON USS STARK

NBC's Tom Brokaw: There are at least 37 sailors dead tonight as a result of that Iraqi attack on the USS Stark and two crewmen still are missing. Also missing tonight -- answers to some key questions. The Stark did not know it had been fired on, why?

NBC's Rick Davis from Bahrain: The USS Stark, her flag at half mast in honor of the men who died aboard her. The commander on the task force in the Gulf says the gaping hole in the port side was caused by two missiles fired by an Iraqi fighter. Today the warship is a powerless hull, towed by a U.S. Navy destroyer. A Navy board of inquiry will try to determine what happened in the final minutes before the missiles hit and why action was not taken to stop the attack. But the commander of the task force in the Gulf said the Stark did not know missiles had been fired.

(Rear Admiral Harold Bernsen: "The ship did recognize that the aircraft's radar had locked on. I think it broke lock, locked on again. I'm not positive of all of the details, there is a little bit of conflict there. But at no time was there any indication that a missile had locked on the ship. That's of interest.")

The Admiral also said Iraq had not been considered a hostile country to the U.S., even though Iraqi missiles had hit 90 targets in the past nine months.

(Bernsen: "But none, absolutely none, have been directed against ships of Middle East force, or for that matter, any U.S. flag ship of any kind -- merchant of warship -- and I think if you keep that in perspective, the fact that an Iraqi aircraft was approaching the Stark would not in itself be considered necessarily unusual or threatening.")

The Admiral says the Iraqi pilot was warned twice he was approaching a U.S. Navy ship.

(Bernsen: "I would suspect that if a guy was capable, that he probably would know whether or not that was the United States warship, but I can't be sure of that. I'm not an Iraqi pilot.")

But today in Baghdad, Iraq's foreign minister denied there had been a warning.

(Tario Aziz: "I had to check with the commander of the Air Force. He assured that the pilot did not receive any kind of warning.")

The USS Stark, under tow, is nearing Bahrain tonight. The task force command ship pulled away from her this afternoon, carrying the bodies of the sailors. Tomorrow there will be a memorial service in Bahrain for the men who died aboard the Stark.

NBC's Fred Francis at the Pentagon: The Navy does not know why the USS Stark did not pick up those two missiles on the ship's radar. Navy officials say that an Exocet would have been picked up because it is radar guided.... Linda Hensley says she got a letter from her husband, combat specialist Jimmy Hensley, saying the Stark had major problems.

-more-

Francis continues:

(Linda Hensley: "They've had major breakdowns in their engine rooms and they would only go three knots an hour and that the ship needed an overhall. And that's the only, you know, major things that he's told me -- that they could not run, but they could still fight.")

Under what is now called the more serious rules of engagement, U.S. commanders in the Gulf have orders from Washington not to let suspicious planes get close enough to launch any missiles.

(Lt. Gen. Richard Burpee: "What we're saying to them now is heighten your awareness -- if you see an aircraft coming down and, in this case, were he turned toward them, he can now say we'll take him out and ask questions later.")...

(Senator Howard Baker: "If we see aircraft in an attack mode, long before they reach us or before they are in a position to shoot at the belligerents, meaning Iran and Iraq, should be on notice that we are going to shoot them down.")

The U.S. this month will begin protecting Kuwait oil tankers flying the American flag and many naval officers believe more U.S. warships and aircraft will be needed to enforce the shoot-first rules. Pentagon officials say that by next week, U.S. warplanes...will be flying over the Persian Gulf to back up the ships of the naval task force.

NBC's Chris Wallace: Addressing high school students in Tennessee, the President emphasized the U.S. will not be driven from the Persian Gulf.

(TV coverage: The President walking across the stage and to the podium at the Tennessee high school.)

Mr. Reagan said this country has vital interest in the region and in the wake of the Iraqi attack will be more aggressive.

(The President: "From now on, if aircraft approach any of our ships in a way that appears hostile, there is one order of battle -- defend yourselves, defend American lives.")

But in an interview with local reporters, the President had to deal with a complex situation. He was understanding towards the country which hit the U.S. ship, saying, "I've had a very fullsome apology from the President of Iraq." He was much tougher towards the country not involved, saying, "The villain in this piece really is Iran and so they are delighted with what has just happened." And accepting the idea that this was just an accident, the President and his men saw no need to build up U.S. forces in the Gulf. But the renewed commitment of American ships into the region cause great concern in Congress, where some question whether the Administration has fully thought out what it is doing there.

(Rep. James Traficant: "But all the money in the world isn't going to provide for a defense without a sound rational policy and I'm asking, 'Where is ours?'")

(Sen. Bob Dole: "We need to rethink exactly what it is we're doing in the Persian Gulf. What are our goals? What is our strategy? What are the risks and how much cost are we willing to pay?")

One reason for these doubts -- the U.S. now get less than 10 percent of its oil from the Gulf, while Europe and Japan get more than half of their oil from the area -- which led to sharp questions for Defense Secretary Weinberger.

Wallace continues:

(Sen. James Sasser: "Why is American treasure and U.S. blood being spent to safeguard these oil lifelines to Japan and to Europe? Where are their naval vessels?"

Secretary Weinberger: "It is essential that if we're going to exist in the world and keep our freedom, that our people will have to go in harm's way from time to time.")

Later, a State Department official informed Congress the Administration will go ahead with plans to put Kuwaiti tankers under the U.S. flag giving them full protection against attacks from Iran.

(Richard Murphy, Assistant Secretary of State: "We believe that our naval presence, which has been in the Gulf for over 40 years, will continue to have this deterrent effect.")

The White House clearly sees this in terms of what a great power must do to maintain its place in the world, but some in Congress remember when Mr. Reagan sent troops into Lebanon four years ago to make a diplomatic point and later had to pull those troops out under fire. (NBC-Lead)

ABC's Peter Jennings: We learn today that 37, not 28, Americans have died in the attack on the USS Stark in the Persian Gulf. And from the Navy late today these pictures taken yesterday of the Stark shortly after she was attacked. As you can see, she is listing about 10 degrees in the water -- the result of the damage done by the Exocet missile fired by an Iraqi jet in the darkness the night before. There you get some sense of how much damage an Exocet, a French-built missile traveling at just under the speed of sound, can do as it swoops across just above the ocean and into the side of a ship which did not, on this occasion, defend itself. And there the interior of the Stark as recorded by the Navy and in some cases the rescue workers...seeing what they can do. Enormous damage was done inside when the missile exploded inside the ship's quarters. On some occasions, ships have sunk without the missile even exploding. The ship took on water and as you can see, some of the dead being removed and taken to shore. They went in some cases towards the United States today. And on deck the men who man the Stark on her mission in the Persian Gulf, expressing how much of the country feels today as this attack by an Iraqi jet after dark at night -- a ship not able to defend itself, or at least choosing not to defend itself. We still do not know why. The Stark limped into port today at Bahrain.

ABC's David Ensor reports from the Persian Gulf on the damage to the Stark and on the statement by the task force in the Gulf.

ABC's Bob Zelnick reports from the Pentagon in the military situation in the Persian Gulf.

ABC's Sam Donaldson: President Reagan today blamed Iran for the conditions that made possible the attack on the Stark, an attack Mr. Reagan told high school graduates in Chattanooga, Tennessee, must never be repeated.

(The President: "This tragedy must never be repeated. From now on if aircraft approach any of our ships in a way that appears hostile, there is one order of battle -- defend yourselves, defend America lives.")

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Donaldson continues:

In an interview with print reporters, the President said, "The villain in this piece really is Iran. They're delighted with what has just happened." It was Iraq that started the war and is...Iranian shipping. But the President's reasoning in blaming Iran is that Iran threatened to close the Gulf and that is why U.S. ships are there -- to keep it open. The President said he still doesn't know why the Stark didn't defend itself. On Capitol Hill, there were suggestions that the U.S. position in the Gulf be reexamined.

(Sen. Bob Dole: "And we need to rethink exactly what it is we're doing in the Persian Gulf. What are our goals? What is our strategy? What are the risks and how much cost are we willing to pay?")

The President today ordered the flag to fly at half-staff in memory of the casualties. And he himself planned to attend the memorial service at week's end. The President's attempt to blame Iran for the tragedy is understandable, but in light of his own sale of arms to Iran, somewhat improbable. In fact two of his aides said today they don't believe the American people will buy it.

ABC's Richard Trelkeld reports on the political/military status of the Middle East. (ABC-Lead)

CBS's Bob Schieffer: The Stark was being towed into Bahrain in the Persian Gulf today and a naval board of inquiry was on its way to find out what happened and why the ship did not defend itself. More than two days after the attack the answers are still unclear, but the damage is clear.

CBS's Alan Pizzey reports from the Gulf on the damage to the USS Stark and the task force's report.

CBS's Bill Plante: Making an emotional pledge that the tragedy of the Stark will not be repeated in the Persian Gulf, President Reagan promised U.S. ships would protect themselves.

(The President: "From now on, if aircraft approach any of our ships in a way that appears hostile there is one order of battle -- defend yourselves, defend American lives.")

(TV coverage: The President on stage speaking to the Tennessee high school graduates.)

Mr. Reagan told a high school commencement audience in Tennessee he has ordered the nation's flag lowered to half-mast in mourning for those who died in the attack.

(The President: "In life, they were our sons and brothers, our buddies and loved ones. In death they are our heroes.")

In an interview with newspapers reports, the President suggested, "The villain in this piece really is Iran. They are delighted with what has just happened." Keeping the Gulf open, said Mr. Reagan, "Is important to us from our continued need to import oil and to our western allies." But some in the Senate pointed out that the U.S. gets only a tiny fraction of its oil through the Persian Gulf and questioned U.S. policy in the area.

(Sen. Sasser: "Why is American treasure and U.S. blood being spent to safeguard these oil lifelines to Japan and to Europe? Where are their naval vessels?")

Administration officials counter that U.S. interests go beyond just oil.

Plante continues:

(Richard Murphy: "We attach great importance to freedom of navigation in the Gulf, indeed throughout the world.")

Ironically though it was Iraq which fired the deadly missiles, Mr. Reagan could not resist blaming Iran, a nation with which he has a long history of bad feeling and ill will. The President is expected to travel to a memorial service for the victims of the Stark tragedy later this week.

CBS's Peter Vasant reports from Mayport, Florida, on the families of the USS Stark's sailors.

CBS's David Martin attempted to respond to questions posed by CBS's Schieffer: why did the death toll jump overnight from 28 to 37; did the Stark have enough weapons to defend herself; what will happen now to the captain of the Stark; what are the chances we will see more incidents like this? (CBS-Lead)

REACTION FROM IRAN

Brokaw: Iran's parliament speaker Rafsanjani said today that "God's hand was behind the attack on the UUS Stark." He compared it to the loss of eight U.S. servicemen in that ill-fated attempt to rescue American hostages in Iran in 1980. (NBC-10)

COMMENTARY ON U.S. POLICY IN THE GULF

NBC's John Chancellor: It's too early to get all the answers about what happened to the USS Stark, but it's not too early to pose the questions. One of the main questions -- does the U.S. Navy have enough ships in the Persian Gulf to do its job there? The Administration says American interest include the threat to commercial shipping and the free flow of oil out of the Gulf -- big interests -- and both are endangered by the Iran/Iraq war. The Persian Gulf is a war zone whether or not it is called that. Since 1984, 230 ships have been attacked by either Iraq or Iran. This year the attack have come on the average every three and half days. It's big -- 475 miles long and the most dangerous body of water in the world today. In it, the U.S. Navy had seven ships on patrol -- seven smallest ships without adequate air cover. Now it has six. The question is inescapable -- was the force strong enough? Was the policy thought through? What happened to the USS Stark brings to mind the massacre of the Marines in Beirut when 241 men died. Their mission hadn't been thought through. They were pathetically vulnerable to attack. In Beirut the Marine guards were ordered for policy reasons not to load their guns. Was the disaster of the Stark caused by a policy that wasn't thought through? Too few ships? Too big a job? When a country sends its military or naval forces into a dangerous area, it has to think about the unthinkable, about the worst thing which might happen. American policy in Beirut didn't do that. Was there a comparable failure of policy -- of thinking -- about the U.S. Navy in the Gulf? That's the question which needs the answered. (NBC-11)

IRAN-CONTRA HEARING

Brokaw: He called himself a foot soldier in the private effort to fund the Nicaraguan contras and this young man, Robert Owen, told Congress an intriguing tale of how that effort worked -- complete with cash payments, secret code names, and courier flights with envelopes of money.

NBC's John Dancy: Robert Owen described himself as Oliver North's man and a secret agent for North. He's a Stanford University graduate and a self described idealist who says he is willing to go to jail for anything he may have done to help the contra cause. Owen told today of making a trip to New York once for North to pick up cash at a Chinese market. He identified himself to a man there by a code name.

(Owen: "He walked behind the counter. I believe he rolled up his pant leg and pulled out a wad of \$100 bills.")

Neil Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me and asked me if I wanted to count it. I did know how much I was suppose to be getting, but I decided I'd better count it anyways."

Eggleston: "And how many \$100 bills did he give you?"

Owen: "There were 95 -- it was \$9,500.")

The operation regularly used codes and nicknames. Owen addressed one memo to "B.G."

(Eggleston: "What does B.G. stand for?"

Owen: "I was afraid you were going to ask me -- it was a nickname we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Owen conceded he and North walked what he called a fine line with regard to the law forbidding government aid to the contras. And North was aware of it.

(Owen: "He said on several occasions that he would always be the fall guy if this story ever broke.")

Owen said he did not believe President Reagan would condone the breaking of laws but he believed he and North were acting with authority probably from the CIA.

(Owen: "My personal view -- I don't know whether you want that or not -- would be that Director Casey probably knew everything that Col. North was doing and was fully aware of it and there have been others as well. There were times when I would be in Col. North's office and he would have phone conversations with the director. There was one time when I was coming out and the director was going in or vice versa.")

Rep. Lee Hamilton: "And so your impression was that Col. North kept in very close touch with Director Casey on a regular basis, is that it?"

Owen: "Yes, sir.")

So in two days of testimony, Owen has given us a picture of a contra war being run by Oliver North out of the White House with North dispensing thousands of dollars from a White House safe -- a war being run with the frequent help of the CIA in the form of maps, transportation and communication -- all of this at a time when such help was forbidden by Congress.

(NBC-2)

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Jennings: The Iran-contra hearings resumed today on Capitol Hill. The witness was one of the nuts-and-bolts players in the cloak-and-dagger operation to fund the contras.

ABC's Brit Hume: Once again today there was testimony from Robert Owen, the self described foot soldier for the contra cause who acted as Oliver North's courier while also working for the contras themselves and, for a time, for the State Department, distributing U.S. humanitarian aid. Owen told of trips to New York on bank holidays to fetch emergency money for the contras, of finding himself in a Chinese market on New York's lower west side saying he was sent by a man, as he put it, something like "Mooie."

(Eggleston: "Did that person then give you anything?"

Owen: "Yes he did. He walked behind the counter, I believed he rolled up his pant leg and pulled out a wad of \$100 bills...I know he pulled out a wad of \$100 bills."

Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me and asked if I wanted to count it. I did not know how much I was suppose to be getting, but I decided I'd better count it anyways."

Eggleston: "And how many \$100 bills did he give you?"

Owen: "There were 95 -- it was \$9,500."

Owen said he brought the money back to Washington and gave it, packed in a newspaper, to Gen. Richard Secord in a downtown hotel. Secord was running the contra supply network. And he told of memos to Oliver North at the White House and of one in particular.

(Eggleston: "And actually, at the beginning is says, 'To: B.G.,' what does B.G. stand for?"

Owen: "I was afraid you were going to ask me. It was a nickname we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Owen said he and North joked at times they might wind up behind bars.

(Owen: "The feeling was that should our efforts be found out, there would be people who would want to find something illegal about it, probably try to throw us in jail.")

But he said North assured him what North would do if the worst happened.

(Owen: "Often times when information came out, he and I would talk and he said on several occasions he would always be the fall guy if this story every broke.")

Owen said North told him he was acting on higher authority. And Owen speculated it came from CIA Director Casey.

(Rep. Lee Hamilton: "Why did you think that?"

Owen: "There are a couple reasons. There were times when I'd be in Col. North's office and he would have phone conversations with the director. There was one time when I was coming out and the director was going in or vice versa; so I think that through those few times and through some of the things Col. North said, including the fact that he would be the fall guy and that Bill Casey agrees with that, that that was my assumption.")

At the end, Owen read a poem, an ode of sorts to Oliver North.

(Owen: "You are giving our children a chance to live as free individuals, and for these things we say thank you Ollie North. And I can only add that I love Ollie North like a brother.")

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Hume continues: There will be much more about North and the late William Casey. Some committee Republicans are convinced Casey was the prime mover behind the contras supply network and that the last thing he would have done is tell the President about it. Now, of course, he can't tell the committee either. (ABC-2)

CBS's Phil Jones: Robert Owen...today vigorously denied breaking any laws but told of conversations with North about going to jail.
(Owen: "There were a couple of occasions that we would laugh about it and joke, yes.... He said on several occasions that he would also be the fall guy if the story every broke.")
There were numerous copies of memo written by Owen...
(Eggleston: "What does B.G. stand for?"
Owen: "I was afraid you were going to ask me -- it was a nickname that we gave Col. North."
Eggleston: "And what did the B.G. stand for?"
Owen: "Blood and guts." Laughter.)
Several times today, Owen testified about CIA involvement in trying to deliver intelligence, weapons and supplies to the contras when U.S. law explicitly prohibited the agency's involvement. And Owen said he thought former CIA Director William Casey knew everything North was doing.
(Owen: "When I was talking with Col. North and he said that when the decision was made or when it was known that the contras were not going to have any more funds, the director approached him and asked him who the best person would be to go down there and at least try to help them through this process.")
Owen, who testified with limited immunity, told about cash running missions at Col. North's request, including one trip to see a man at a New York Chinese market.
(Owen: "Yes he did. He walked behind the counter, I believe he rolled up his pant leg and pulled out a wad of \$100 bills...I know he pulled out a wad of \$100 bills."
Eggleston: "Did he give a part of this wad to you?"
Owen: "He gave the whole wad to me.")
Owen also said he had received \$1,000 in travelers checks from North on his wedding day in 1985. At the end of two days of testimony, "the courier," as he was called by North, insisted on reading a poem.
(Owen: "Yet in our darkest hours, we have three things that help sustain us -- our faith in God almighty, the love and support of our families, the knowledge that on this troubled earth there still walk men like Ollie North.") (CBS-3)

WILLIAM WEBSTER CONFIRMED

Brokaw: The U.S. Senate this evening voted overwhelmingly to confirm FBI chief William Webster as the new director of the CIA.
(NBC-3, ABC-3, CBS-2)

GENERAL DYNAMICS INVESTIGATION

Brokaw: For three years now the Justice Department has been investigating General Dynamics -- for allegations that the big defense contractor lied about delivery dates and cost overruns when it build (Navy) submarines. The Justice Department ended it's investigation, saying it can't prove the charges. (NBC-4, ABC-6, CBS-7)

EDITORIALS/COLUMNISTS

ATTACK ON USS STARK

Hit In The Gulf -- "Neither country [the U.S. and Iraq] wanted this terrible incident to get in the way of the business they are doing together.... The incident should make the U.S. think much harder about ways to diminish the hazards of duty in and about a Third World war zone.... The strategic situation in the Gulf is what counts now.... For the first time, the U.S. has found an acceptable way to put military power behind its long-stated goals of a cease-fire which would leave Iran in occupation of a slice of Iraq, and then a negotiation that would respect the territorial integrity and sovereignty of both sides. The Kremlin reinforces this plan, and the other Arabs and almost everyone else nervously support it. The risks, including not just accidental attack by Iraq but deliberate attack by Iran, are evident. But the goal is the right one."
(Washington Post, 5/19)

The Attack On The Stark -- "Iraq's blundering attack on the frigate Stark should not change America's aim or means in the Persian Gulf. A military presence is needed to reassure the Gulf states against encroachment by Iran.... But the death of 28 sailors and the crippling of their vessel by a single Exocet missile weighs heavily.... Until America weans itself from Persian Gulf oil, the stakes are too high to do nothing. All the more reason for the Navy to learn why the Stark wasn't better able to defend itself, and for the Reagan Administration to press Iraq hard for an accounting."
(New York Times, 5/19)

The Attack On The Stark: Accidental Or Inevitable -- "U.S. policy planners...must weigh the arguments in favor of a U.S. Naval presence [in the Gulf] against the dangers involved.... For the moment it appears unlikely that diplomacy without a military component can suppress the tanker war. To achieve that goal, U.S. warships probably would have to remain in the gulf. But in making that commitment, the government and the nation must remember the Stark -- and realize that more ships and sailors may be lost."
(Philadelphia Inquirer, 5/19)

Tragedy In The Persian Gulf -- "Iraq owes the U.S. a speedy and complete explanation of the deadly missile attack Sunday on the American frigate Stark. And the U.S. Navy owes the survivors of the dead crewmen, and the American people, an explanation of why the Stark apparently made no move to defend itself.... At this point, there are many more questions about the Stark affair than answers. But it does seem that if the U.S. is to be an effective peacekeeper in the Middle East, it must first make certain it defends its own forces adequately."
(Los Angeles Times, 5/19)

Blood In The Gulf -- "The easy response to the Iraqi attack on the USS Stark, and the death of over two dozen American seamen, is to call for a retaliatory blood-letting. But retaliation would be neither just nor expedient, judging from what is known.... A U.S. exit from the Gulf now would not only leave American merchant ships naked to...combatants but would be an invitation to more jolly tarskis from Moscow."
(Washington Times, 5/19)

ATTACK ON USS STARK continued

Questions About The Stark -- Sunday's attack, unprovoked and without warning, must be thoroughly investigated.... President Reagan is right to demand a full explanation from the Iraqi government. He has maintained a careful balance in his remarks about the incident and the war which caused it. He and his military advisors owe the American people some answers as well, however.... In war, accidents sometimes happen. Ways must be found to minimize the terrible cost such accidents can bring."

(Baltimore Sun, 5/19)

Shot In The Gulf -- "The complete story isn't out yet -- but bring it on, full and fast. Initial reaction seems to be that by its attack on the USS Stark Iraq has proved itself either duplicitous or dumb. Neither is encouraging.... Raising the American profile anywhere puts America at risk, and nowhere more than in the Middle East must they be ever alert for both error and terror. This incident raises a specific specter of another peacekeeping mission to protect innocents from combatants, that one in Beirut, where a Marine contingent was not so prepared or protected as it should have been."

(Richmond Times Dispatch, 5/19)

A War Zone By Any Measure -- "The Iraqi attack on the Stark was said to be inadvertent -- a case of mistaken identity. But it would not be surprising if it were a deliberate act, staged to call attention to the need to end the war.... If the Persian Gulf remains a war zone, the United States and Soviet Union will become involved more directly than they are now, and at an incalculably high cost."

(Hartford Courant, 5/19)

In Harm's Way -- "The unwarranted attack on the USS Stark in the Persian Gulf on Sunday has generated calls for increasing the U.S. presence in the Gulf, and also for full withdrawal. This is to be expected in a country that engages in a nonstop, free-wheeling debate on defense issues. The most serious question about the Stark incident, however, is how a U.S. naval vessel could be so vulnerable to attack.... The U.S. Navy has been rebuilt during the Reagan Administration to make it once again a formidable force for keeping the sea lanes open. There are few more important goals in U.S. foreign policy. Ours is a Navy specifically designed to sail into 'harm's way.' If it cannot or will not accomplish its mission, some very tough questions need to be asked."

(Detroit News, 5/19)

Harm's Way In The Persian Gulf -- "The deadly attack on a U.S. frigate in the Persian Gulf leaves both Iraq, whose aircraft apparently launched the missiles strike, and the United States with a lot to answer for.... The United States has shown considerable forbearance since the Sunday afternoon attack on the USS Stark. That is appropriate because everyone involved needs time to sort out exactly what happened and why. The U.S. does not want to help Iran, which is gloating over the incident, by launching reprisals against Iraq. But already President Reagan has made it clear that he sees this incident as evidence that it is in the U.S. interest for the war to come to an end. And unless a lot of answers are forthcoming, the pressure to do something to strike back will mount."

(Chicago Tribune, 5/19)

FOREIGN MEDIA REACTION

ATTACK ON USS STARK

"It has been arguable for some time that it served international interests to allow the two big Gulf powers to fight each other to a standstill. But this argument is wearing thin. Iran looks the more capable of winning; and the great powers have proved incapable of protecting some of the world's most essential shipping.... The attack on the Stark means that those powers should act to bring the Gulf war to an end."
(Times, Britain)

"Doubts in the Gulf about what to make of American foreign policy will have been augmented by the successful but mistaken Iraqi Exocet attack.... This embarrassment comes at a time of increasing competition between the superpowers for the attention of the Gulf states.... The failure, largely by default, of the Reagan initiative on a Palestinian homeland, and the deep humiliation of spelling out one policy toward Iran and carrying out another, have imposed handicaps on the State Department which it may take years to remove. At present there is no reason why the two superpowers should not work in harmony in the Gulf.... The close cultivation of the Gulf by the State Department, kept in the dark by Irangate, is beginning to yield a slightly bitter crop."
(Guardian, Britain)

"Never has the risk of internationalization on the conflict been so great. With the attack against the U.S. frigate Stark and the two Soviet ships recently, the two superpowers are now physically involved in the Gulf War.... Giving up reservations, Washington and Moscow are taking risks in order to defend the freedom of movement in the Gulf waters."
(Figaro France)

"The Iraqis are supposed to fight against Khomeini's troops, not against the United States. The confusion is all the more striking and embarrassing since the Reagan Administration cannot do anything to obtain redress.... The attack was an error, and even looking at the event with seriousness the United States can do nothing but protest officially. U.S. public opinion is realizing that a war is taking place on the 'oil-way' and the United States is bearing the brunt of the Iran-Iraq war."
(Quotidien, France)

"An incident in the Gulf was only to be expected. The Pentagon deliberately ran a risk when it deployed a good dozen warships in the operational area between Iraq and Iran in order to protect Western oil supplies.... The incident again highlights the problems associated with supplying modern weapon systems to inexperienced and only moderately well-trained armed forces."
(Die Welt, West Germany)

"The recent attacks (including those on Soviet ships) show that the center of the war...has moved to the strait. It is the battle for oil that is escalating -- first and foremost the battle for the export of Black Gold.... Secretary Shultz called the situation if the Gulf 'very serious.' U.S. reports that Tehran is planning to attack Kuwait have certainly contributed to this. Regardless of the rumors -- more and more radical tones are being heard in Tehran."
(Frankfurter Allgemeine, West Germany)

ATTACK ON USS STARK continued

"If the two superpowers really were to act in concert, Tehran would rapidly regain its sense of reality. However, Washington and Moscow remain rivals, and they pursue quite different goals in the Middle East."

(Sueddeutsche Zeitung, West Germany)

"The danger now is that the political impotence of the two superpowers...may result in a risky and uncoordinated military display.... A U.S.-USSR agreement on such a serious regional crisis would indeed represent a real signal of a new course in East-West relations, much more than an agreement on nuclear weapons."

(La Stampa, Italy)

"The physical damage is already serious, the political damage could become very serious if the U.S. public and Congress urge the White House to 'disengage,' thus leaving to the Kremlin the monopoly on the 'protection' of Western interests.... The Persian Gulf...resembles more and more the Lebanon of a few years ago, and Americans have already paid a similar price in blood.... Let's try to imagine what could happen the next time the oil price goes up if the problem is not dealt with in time."

(Il Giornale, Italy)

"Ronald Reagan, already weakened by Irangate, will not be able to pretend nothing has happened..... Reagan will have to indicate how he intends to avoid other 'accidents' in the future. Most of all, however, he will have to explain why U.S. Marines and ships must continue to run this kind of risk without even being able to react."

(Il Sole-24 Ore, Italy)

"The U.S. can't play the role of international policeman without paying the price.... When Americans are killed, that is another matter; it may prompt the big powers to intervene more energetically to restore peace between Iran and Iraq, especially coming on top of recent attacks on two Soviet ships."

(Le Matin, Switzerland)

"It seems likely that the government will be content with (Iraqi apologies). For despite President Reagan's fierce words, one realizes only too well here that the U.S. must keep Iraq as a friend if it is still to exert any influence in the Persian Gulf."

(BRT Radio, Belgium)

"U.S. permanent naval 'patrolling' in the Gulf has assumed an evermore menacing nature, fraught with the threat of a future and extremely dangerous flare-up of tension throughout the region and even perhaps of the conflict spreading elsewhere."

(TASS, Soviet Union)

"Now, with the two superpowers directly tasting some of the Gulf war dangers, we believe this should be sufficient for them to take, through the UN Security Council, action to impose peace or at least to confront the party which is rejecting peace and force it to accept a ceasefire."

(Akhbar al-Khaleej, Bahrain)

"The attack on the USS Stark...demonstrates clearly the urgent need for new diplomatic solutions...to bring seven years of bitter conflict to an end. The U.S. and the Soviet Union for once have a common goal: freedom of navigation in the Gulf for the sake of regional and world security."

(Gulf Daily News, Bahrain)



News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, MAY 20, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

TRIP NEWS

'Just Say Yes To Education,' Reagan Urges -- Flanked by tiers of colorful caps and gowns President Reagan urged area graduating seniors to shoulder their responsibilities and say no to drugs.

(Chattanooga New-Free Press, Chattanooga Times, Washington Times)

INTERNATIONAL NEWS

Fleet's Orders: Shoot First, 'Ask Questions Later' -- President Reagan's new orders to commanders of U.S. warships in the Persian Gulf give them more freedom to shoot down hostile aircraft "and ask questions later," a Pentagon official said.

(Christian Science Monitor, Wall Street Journal, Washington Post, Washington Times, Reuter)

IRAN-NICARAGUA

Owen: Casey Knew Everything North Was Doing -- Robert Owen testified that he believes the late William Casey, then CIA director, was behind Oliver North's secret network that funneled weapons to the contras.

(Wall Street Journal, Washington Post, AP, Copley, Newhouse, Scripps Howard)

NETWORK NEWS (Tuesday Evening)

USS STARK -- At least 37 sailors are dead as a result of the Iraqi attack on the USS Stark.

IRAN-CONTRA -- Robert Owen denied breaking any laws but told of conversations with Oliver North about going to jail.

WEBSTER -- The Senate confirmed William Webster as head of the CIA.



TRIP NEWS

REAGAN PRAISES SCHOOLS Puts Challenge To Seniors Here

CHATTANOOGA -- President Ronald Reagan challenged 3000 cheering graduating seniors of the Chattanooga and Hamilton county school systems to "be all you can be" to help shape the destiny of this nation in the 21st century.

"Nothing is more important to opening up the opportunities of our country than finishing high school" the President continued. "So if you have a friend who didn't make it or who is thinking of quitting, could you do something for me? Ask them to give it another try. Tell them they can do it if they stick with it."

The chief executive lauded the "good work" of members of Students Staying Straight. "We can't expect excellence in an environment of drug permissiveness. It's time to get drugs off our campuses and out of our school yards."

(Jeff Powell & Ronnie Moore, Chattanooga News-Free Press, A1)

'Just Say Yes To Education,' Reagan Urges

CHATTANOOGA -- Flanked by tiers of colorful caps and gowns President Reagan urged area graduating seniors to shoulder their responsibilities and say no to drugs.

"So many of you have helped your friends 'just say no' to drugs. Help your friends 'just say yes' to finishing school," Reagan said in a commencement address at the University of Tennessee-Chattanooga arena to about 9000 seniors, teachers and parents.

Before a banner that said "Education for America's Future," Reagan told seniors representing 13 city and county public high school, he came to congratulate them.

(Wade Rawlins, Chattanooga Times, A1)

Reagan Tells Students To Say No

CHATTANOOGA -- President Reagan took his campaign against drugs and permissiveness here, urging graduating high school seniors to "stand shoulder to shoulder against this evil that undermines the moral fiber of the nation.

He took aim, in particular, at the movie and recording industry for portraying drug use in a "positive, upbeat way."

(Washington Times, A2)

REAGAN PAYS TRIBUTE TO VICTIMS,
SAYS IRAN IS 'THE REAL VILLAIN'

CHATTANOOGA, Tenn. -- President Reagan paid an emotional tribute to "our heroes" who died in the Iraqi attack on the USS Stark and said Iran "was the real villain in the piece" because it had refused to negotiate an end to the 6½-year war.

Reagan ordered that flags be lowered to half-staff in memory of the 37 crew members killed when one or more missiles launched by an Iraqi fighter struck the guided missile frigate Sunday in what the President said was "a tragedy that must never be repeated." And in an interview and a speech to high school students, Reagan vowed that the U.S. would keep oil supplies flowing through the Persian Gulf.

He was loudly applauded by an audience that had sat quietly through a speech in which Reagan exhorted American students to work harder and denounced the glamorizing of drug use.

Reagan's speech here today, to a commencement gathering of 13 area high schools, compared American schooling unfavorably to Japanese education. The President said that in this country "everyone made excuses," such as poverty or family problems, when a student performed poorly.

"In Japan, the message to students was always, you're responsible for what you make of your life," Reagan said. "In the U.S., too often, it was that you aren't."

(Lou Cannon, Washington Post, A23)

Reagan Tells Military: 'Defend Yourselves'

CHATTANOOGA -- President Reagan declared that U.S. military forces have been told to "defend yourselves" as the death toll from the Iraqi attack on a Navy frigate mounted to 37 and the Senate Republican leader demanded a reassessment of the U.S. military posture in the Persian Gulf.

In an interview with Chattanooga area newspapers, Reagan said the Administration is waiting to find out why the guided-missile frigate didn't return fire at the attacking Iraqi missile-firing plane in the 60 to 90 seconds such a response would have been possible.

"We're waiting to find out now is what exactly was the situation on the ship and the attitude, and why they...hadn't prepared," Reagan said. He noted that "general quarters hadn't been sounded, as it might be, if a hostile plane were coming into the area."

(Norman Black, AP)

INTERNATIONAL NEWS

SHIP'S CREW SAID UNAWARE OF IRAQI MISSILE ATTACK

MANAMA, Bahrain -- The commander of U.S. naval forces in the Persian Gulf, Rear Adm. Harold Bernsen, said he believes the captain and crew of the USS Stark did not think they were under missile attack from an Iraqi warplane and may have discovered their peril only when a lookout screamed that the ship was about to be hit.

Bernsen said the two missiles that hit the ship did not emit electronic "lock-on" signals typical of French-made Exocet missiles, the type reportedly fired by the Iraqi pilot. In the absence of such signals, the Stark's radar was incapable of picking up the missiles, he said.

(Patrick Tyler, Washington Post, A1)

Fleet's Orders: Shoot First, 'Ask Questions Later'

President Reagan's new orders to commanders of U.S. warships in the Persian Gulf give them more freedom to shoot down hostile aircraft "and ask questions later," a Pentagon official said.

Lt. Gen. R.A. Burpee, director of operations for the Joint Chiefs of Staff, interpreted the new rules of engagement to mean that the captain of U.S. warship in the volatile region "can now say, we'll take him (a hostile aircraft) and ask questions later."

(James Dorsey, Washington Times, A1)

Saudi Jets Refused Request By U.S. To Intercept Iraqi

Two Saudi Arabian F15 fighters refused a U.S. Air Force request to intercept an Iraqi aircraft after it attacked the USS Stark in the Persian Gulf, Defense Department sources disclosed.

The Saudi refusal has infuriated Pentagon military leaders who have learned about it and may provoke protests in Congress at a time when U.S.-Saudi relations are under scrutiny in the Iran-contra hearings. "You better believe we're angry about it," said one official, who asked not to be identified.

(George Wilson, Washington Post, A1)

Stark's Crew Never Knew What Hit Them

MANAMA, Bahrain -- The crew of the U.S. ship blasted by an Iraqi missile attack Sunday knew an Iraqi pilot had locked the ship on his radar, but didn't know he had fired any missiles, the commander of U.S. forces in the Persian Gulf said.

Adm. Harold Bernsen said he did not think the captain of the frigate USS Stark, Cmdr. Glenn Brindel, was on the bridge when the attack occurred. He said it did not appear the crew tried to fire at the Iraqi aircraft or missiles during the attack.

(Washington Times, A1)

Stark's Agony Ends, Inquiry Begins Into Exocet Missile Attack

MANAMA, Bahrain -- Military experts remain baffled why the USS Stark failed to anticipate the mistaken Iraqi missile attack that killed 37 sailors in the Persian Gulf.

U.S. investigators were arriving to begin a probe of the incident, including why the frigate failed to activate its anti-missile defenses when it knew Iraqi warplanes were approaching.

Rear Adm. Harold Bernsen, commander of U.S. ships in the region, told reporters that the ship had been on alert state three, meaning all weapons were manned and ready for use. (James Foley, Reuter)

U.S. Reaffirms Its Intention To Protect Kuwaiti Tankers Despite Attack By Iraq

A senior Reagan Administration official said that, despite Sunday's attack on the USS Stark, the Administration will follow through on its agreement to protect Kuwaiti tankers in the Persian Gulf, with the first of the tankers ready to sail in a few weeks.

Richard Murphy, assistant secretary of state for Near Eastern and South Asian Affairs, told Congress that despite the attack in which 37 American crewmen were killed, the Administration plans to register the Kuwaiti tankers under the U.S. flag, giving them "the U.S. Navy protection given any U.S.-flag vessel transiting the gulf." The balance of 11 tankers set for U.S. protection would be ready by mid-July.

(Robert Carrington & Tim Carrington, Wall Street Journal, A3)

New Accord To Let Kuwaiti Tankers Fly U.S. Flag

The Reagan Administration, facing an increasingly skeptical Congress, said it had reached "general agreement" with Kuwait to fly U.S. flags over 11 Kuwaiti oil tankers and that the first of those tankers could be operating in the Persian Gulf "within weeks."

But Senate Minority Leader Robert Dole, expressing growing concern on Capitol Hill, called for "a special, renewed examination" of the agreement. Saying the plan "may still make sense," Dole urged the Administration "to take a new look...in light of Sunday's tragedy."

Assistant Secretary of State Richard Murphy, calling the arrangement an "unusual measure to meet an extraordinary situation," told a congressional committee that he believes the U.S. flag and U.S. naval protection for Kuwait's tankers would deter Iran from continuing its stepped-up attacks against Kuwaiti oil exports.

(Don Oberdorfer & Molly Moore, Washington Post, A22)

Wary U.S. Officials May Consult Soviets On Gulf

The U.S. may consult with the Soviet Union about protecting international shipping in the Persian Gulf, even though the Reagan Administration does not want Moscow to enhance its influence in the region.

Asked if Washington would respond to a Soviet proposal for superpower cooperation in the Gulf, State Department spokeswoman Phyllis Oakley replied that there were discussions with the Soviets on a wide variety of issues, and consultations on Gulf navigation "could not be ruled out.

(Ricahrd Beeston, Washington Times, A5)

Gulf Attack Could Spur New Efforts To Resolve Iran-Iraq War

The latest incidents in Persian Gulf waters, including the accidental Iraqi air attack on the USS Stark, come at a time when the Iran-Iraq conflict appears to be stalemated, both militarily and politically.

But, regional analysts say, the war's shift of focus to attacks on Gulf shipping, and the growing involvement of the two superpowers, carry the 6½-year-old war into a new phase of heightened dangers -- and, perhaps, increased chances of resolution.

(Jim Muir, Christian Science Monitor, A1)

GORBACHEV OFFER ASIAN MISSILE PLAN

Would Scrap SS20s If U.S. Removes Arsenals, Restricts Carriers

MOSCOW -- The Soviet Union offered to scrap all of its medium-range SS-20 missiles in Asia if the U.S. agrees to withdraw its nuclear arsenals deployed in Japan, South Korea and the Philippines, and to restrict the movement of U.S. aircraft carriers in the region.

Gorbachev's proposal, seen as a bid to boost the Soviet image in Asia, also would expand the scope of negotiations on a medium-range missile treaty to include weapons of different types and shorter ranges, such as naval vessels and battlefield weapons.

A senior State Department official said Gorbachev's proposal was raised previously by other Soviet officials and rejected by the U.S. because there are no U.S. weapons in Asia comparable to the Soviet SS20.

(Gary Lee, Washington Post, A26)

HOUSE AGAIN OPPOSES NUCLEAR TESTS; SENATE STILL STALLED ON SDI LIMITS

The House reasserted its opposition to nuclear-weapons testing as the Senate failed for a second time to move forward on proposals to restrict testing of SDI.

The contrasting actions of the two chambers underscored the perils facing arms-control initiatives in the Democratic-controlled Congress, where the House has been resolutely churning out arms constraints only to see them run into procedural and other obstacles in the Senate.

(Helen Dewar & Edward Walsh, Washington Post, A4)

More Arms-Control Items Tacked Onto Defense Bill

The House, heading for a confrontation with President Reagan, added two more arms control measures to their \$289 billion defense authorization.

Voting generally along party lines, the House approved 234-187 to ban nearly all U.S. nuclear weapons tests. They also voted 229-188 to extend a current moratorium on tests of the final stage of an Air Force anti-satellite system.

(Jennifer Spevacek, Washington Times, A3)

GALVIN SAYS F5S FOR HONDURAS
WON'T SPARK LATIN ARMS RACE

Selling U.S.-made F5E jets to Honduras would not set off a Central American arms race; instead it would be like replacing a 1947 Ford with a 1987 Ford, the region's top U.S. military official said.

Gen. John Galvin, commander of the U.S. Southern Command, and Elliott Abrahms, assistant secretary of state for inter-American affairs, rejected charges from Western Hemisphere subcommittee Chairman George Crockett and other Democrats that the proposed \$75 million sale of 10 F5E jets and two F5s would spark "reactive purchases by Nicaragua and possible El Salvador."

(Joanne Omang, Washington Post, A4)

BRACY'S TESTIMONY MAY LET
PROSECUTORS REVIVE KEY EVIDENCE

Marine Cpl. Arnold Bracy, accused of allowing Soviet agents into the U.S. Embassy in Moscow, testified publicly for the first time, telling a military investigator that he is a deeply religious person who said no to drugs, alcohol and Playboy magazine.

Prosecutors, pressing what White House officials have conceded is a weak case, seized on the 21-year-old's statement and said they intend to use it to try reintroducing one of the case's most controversial pieces of evidence.

That is another Bracy statement, since recanted, in which he allegedly said he and another Marine allowed KGB agents to examine some of the embassy's most sensitive areas.

(Bill McAllister, Washington Post, A4)

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IRAN — NICARAGUA

CIA TIED TO CONTRA AID AFTER BAN

Owen, North's Latin Contact, Says Agency Gave Military Assistance

Robert Owen, who served as then-National Security Council aide Oliver North's main contact with the Nicaraguan rebels, provided the first detailed testimony that CIA personnel in Central America and Washington assisted the contras militarily after Congress had banned such aid.

Owen described how the CIA had provided military maps, helped locate a site for a clandestine air base in Costa Rica, and attempted to help transfer munitions from one contra faction to another.

He also said that Tomas Castillo, an alias for the CIA station chief in Costa Rica, had helped get weapons and food for contras inside Nicaragua. Castillo also was regularly in touch with North and U.S. Ambassador to Costa Rica Lewis Tambs as they attempted to put together a viable fighting force along the border with Nicaragua, known as the "southern front," Owen testified.

Sen. David Boren, chairman of the Senate Select Committee on Intelligence, noted that Owen's testimony contradicted what the CIA's Central American task force chief had told his panel last December.

(Dan Morgan & Walter Pincus, Washington Post, A1)

Owen: Casey Knew Everything North Was Doing

Robert Owen testified that he believes the late William Casey, then CIA director, was behind Oliver North's secret network that funneled weapons to the contras.

Owen, North's bagman in the contra supply operation from 1984 to 1986, told congressional committees investigating the Iran-contra scandal, "It's my personal belief Director Casey knew everything Col. North was doing."

The former National Security Council aide, Owen said, toiled "under the wing of certain people in the Administration."

(Lance Gay & Walter Friedenberg, Scripps Howard)

North Courier Tells Of Failed Attempt To Deliver Arms To Contras

Robert Owen, Lt. Col. Oliver North's liaison with the anti-Sandinista rebels in Nicaragua, testified that the CIA assisted him in a failed effort to deliver arms to the contras.

Owen said the ill-fated attempt to deliver arms to the contras occurred in March 1986, when the Boland amendment was in force. Involved in the effort were the CIA station chief in Costa Rica, who was not identified, and Col. James Steele, the head of the U.S. military assistance group in El Salvador, Owen testified.

Owen said he was ordered by North to accompany an air shipment of medical supplies provided by the State Department's humanitarian assistance program that was being flown from Washington to Central America. After the medical supplies were delivered, Owen said, the plane was supposed to pick up weapons for delivery to the contras.

But the weapons were not there when the Southern Air Transport L-100 arrived in Central America, Owen said. He testified that he pressed CIA officials and Steele into action in a fruitless effort to find the arms.

(Marcus Stern, Copley)

Owen Tells Of Role In 'Nonlethal' Aid To Contras As He Assisted Arms Network

Conservative activist Robert Owen testified that the Reagan Administration gave him a role in its Nicaraguan "humanitarian" aid program from which he also assisted the secret contra arms network overseen from within the White House.

Owen said he had been told an interagency group including representatives of the National Security Council, State Department and Central Intelligence Agency had made the decision to give him a State Department contract to work in the effort to provide so-called "nonlethal" aid to the contras. At the time, Congress had prohibited U.S. military aid to the insurgents.

But Owen said that while under the contract, he continued to work for the arms network under directions from fired NSC aide Lt. Col. Oliver North, who was in close contract with then CIA-Director William Casey.

From his position as a State Department contractor, Owen was able to travel frequently to Central America in 1985 and 1986. He said that on his trips he served as the "eyes and ears" of Col. North.

(David Rogers & Edward Pound, Wall Street Journal, A14)

Owen Says Casey Knew About Contra Aid Effort; North Was To Be Fall Guy

Robert Owen, a key operative in the clandestine U.S. aid program to the Nicaraguan contras, says former CIA Director William Casey knew in detail about Lt. Col. Oliver North's activities and agreed that North would be the "fall guy" should the covert scheme become public.

Owen also said he had heard complaints from contra leaders that U.S. middlemen had taken heavy markups on the prices of weapons sold to the contras -- as much as 300 percent in one instance, according to one senator.

Those complaints are likely to be echoed today when Adolfo Calero, leader of the largest rebel fighting force, appears at the witness table.

(Jim Drinkard, AP)

Owen's Testimony/Question Of Legality

Insisting that he violated no law while working as a courier between National Security Council aide Oliver North and the Nicaraguan contras, Robert Owen nonetheless says he and North joked about going to jail for their activities.

But asked by Rep. Louis Stokes when did he first realize that he was involved in "criminal conduct," Owen bristled, saying, "Sir, I haven't admitted I was engaged in criminal conduct. I think that's unfair."

Owen testified that North was resigned to being "the fall guy if this story ever broke." And he said he believed so strongly in the Reagan Administration's efforts to stop the spread of communism in Latin America that he was willing to take risks, including the risk of imprisonment.

(Robert Gettlin & Robert Lewis, Newhouse)

A True Believer Ensnarled; Owen Shows Awareness Of Possible Illegality

For Robert Owen, an earnest true believer in Oliver North's multiple secret operations, it all came down to the cause. He was willing to risk everything, including his life, he told Iran-contra investigators, if it contributed to stopping communism in Central America.

His account of furtive, admittedly "questionable" behavior, of "walking a very fine line" between legality and illegality, contrasted sharply with President Reagan's most recent assertion that there was nothing untoward about those like Owen who assisted the Nicaraguan contras.

Reagan insisted last Friday that "there is nothing in the law that prevents citizens -- individuals or groups -- from offering aid of whatever kind they wanted to give."

But the story Owen told...showed that he and Marine Lt. Col. Oliver North -- whom he called "Blood and Guts" and described as his covert "Godfather" -- realized they were engaged in potentially illegal acts. They even joked about going to jail for their activities, the tall, slim, cherubic-looking Owen testified.

(Haynes Johnson, Washington Post, A1)

SWISS SET RELEASE OF BANK DOCUMENTS
Neither North Nor Secord Appeals Ruling

GENEVA -- Swiss authorities said that bank account documents related to the Iran-contra affair would be made available to U.S. investigators within the next two weeks.

The way was cleared for release of most of the documents when only two of the account holders involved appealed a Swiss government decision to open the accounts by the deadline yesterday. The two who appealed are Manucher Ghorbanifar and Albert Hakim.

(John Parry, Washington Post, A13)

EDITOR'S NOTES: "The Testimony Of Robert Owen," appears in The Washington Post, A12.

"FBI's Unusually Close Relationship With North Slated To Be Major Area Of Iran-Contra Hearings," by Andy Pasztor, appears in The Wall Street Journal, A72.

NATIONAL NEWS

REAGAN UNVEILING GUIDE FOR SCHOOLS IN POOR AREAS

President Reagan unveiled a guide intended to help transform schools in inner cities and other pockets of poverty into a "ladder for success" for disadvantaged children.

The how-to booklet, "Schools That Work: Educating Disadvantaged Children," is the third in a series of guides for parents and educators prepared by the Department of Education.

It profiles nearly two dozen schools and programs that have rung up sterling achievement scores and low drop out rates in the depressed surroundings that are usually synonymous with failure and fractured lives.

(Christopher Connell, AP)

Reagan Continues Education Blitz

President Reagan, back from promoting his educational goals in Tennessee, held the spotlight on schools again with a ceremony to unveil a handbook, "Schools That Work; Educating Disadvantaged Children."

The booklet, to be presented to the President by Education Secretary William Bennett, concludes that school is the single best avenue for moving Americans out of poverty and offers several recommendations for upgrading schools that serve mostly low-income students.

(Helen Thomas, UPI)

Bennett: Schools Education Combats Poverty

A first-rate education is a potent weapon against poverty, Education Secretary William Bennett told President Reagan today as he delivered the third booklet in the Education Department's "what works" series.

"We now know what works in educating disadvantaged children," said Bennett, who gave Reagan the handbook during a White House ceremony, "and it's time to get at it."

The 80-page handbook, "Schools that Work, Educating Disadvantaged Children," said "schools in low-income areas face a difficult challenge" because of high crime rates, drug abuse and parents with limited educational backgrounds. But it concludes that "good schools make a difference" in overcoming even the most severe effects of poverty.

(Tamara Henry, UPI)

SENATE OVERWHELMINGLY CONFIRMS WEBSTER AS NEW CIA DIRECTOR

The Senate overwhelmingly confirmed the nomination of FBI Director William Webster as director of the CIA.

The Senate approved the Webster nomination 94 to 1, with Sen. Harry Reid dissenting because of what he said were lingering questions about FBI conduct during a series of criminal investigations in his home state.

(Tom Kenworthy, Washington Post, A3)

ADMINISTRATION, LAWMAKERS SPAR OVER 'DOUBLE DIPPING' OF FARM SUBSIDIES

Although Congress has paid only moderate attention, the Reagan Administration's message (on farm subsidies) generally has been consistent: Federal subsidies to farmers tend to encourage overproduction and cost the government additional millions to acquire and store the surpluses.

Richard Goldberg, a deputy undersecretary of agriculture recently went to Congress to talk about subsidies, but this time the message was different. The Administration opposed a bill that would curtail the double subsidy some western farmers received from growing surplus crops with federal irrigation water.

The bill introduced by Rep. Samuel Gejdenson would require farmers who receive new or expanded irrigation benefits to pay the full cost of any water they use to grow surplus crops that are eligible for subsidy payments.
(Ward Sinclair, Washington Post, A6)

LAWMAKERS CRITICIZE CLOSING OF GENERAL DYNAMICS PROBE

Members of Congress sharply criticized the Justice Department for closing a three-year investigation of General Dynamics Corp.'s submarine contracts without bringing charges.

Sen. William Proxmire said the decision "shows the Justice Department is not serious about defense fraud." He called the department's reasoning "baffling and disappointing."
(Howard Kurtz, Washington Post, A5)

NETWORK NEWS SUMMARY

(Tuesday Evening, May 19, 1987)

ATTACK ON USS STARK

NBC's Tom Brokaw: There are at least 37 sailors dead tonight as a result of that Iraqi attack on the USS Stark and two crewmen still are missing. Also missing tonight -- answers to some key questions. The Stark did not know it had been fired on, why?

NBC's Rick Davis from Bahrain: The USS Stark, her flag at half mast in honor of the men who died aboard her. The commander on the task force in the Gulf says the gaping hole in the port side was caused by two missiles fired by an Iraqi fighter. Today the warship is a powerless hull, towed by a U.S. Navy destroyer. A Navy board of inquiry will try to determine what happened in the final minutes before the missiles hit and why action was not taken to stop the attack. But the commander of the task force in the Gulf said the Stark did not know missiles had been fired.

(Rear Admiral Harold Bernsen: "The ship did recognize that the aircraft's radar had locked on. I think it broke lock, locked on again. I'm not positive of all of the details, there is a little bit of conflict there. But at no time was there any indication that a missile had locked on the ship. That's of interest.")

The Admiral also said Iraq had not been considered a hostile country to the U.S., even though Iraqi missiles had hit 90 targets in the past nine months.

(Bernsen: "But none, absolutely none, have been directed against ships of Middle East force, or for that matter, any U.S. flag ship of any kind -- merchant of warship -- and I think if you keep that in perspective, the fact that an Iraqi aircraft was approaching the Stark would not in itself be considered necessarily unusual or threatening.")

The Admiral says the Iraqi pilot was warned twice he was approaching a U.S. Navy ship.

(Bernsen: "I would suspect that if a guy was capable, that he probably would know whether or not that was the United States warship, but I can't be sure of that. I'm not an Iraqi pilot.")

But today in Baghdad, Iraq's foreign minister denied there had been a warning.

(Tario Aziz: "I had to check with the commander of the Air Force. He assured that the pilot did not receive any kind of warning.")

The USS Stark, under tow, is nearing Bahrain tonight. The task force command ship pulled away from her this afternoon, carrying the bodies of the sailors. Tomorrow there will be a memorial service in Bahrain for the men who died aboard the Stark.

NBC's Fred Francis at the Pentagon: The Navy does not know why the USS Stark did not pick up those two missiles on the ship's radar. Navy officials say that an Exocet would have been picked up because it is radar guided.... Linda Hensley says she got a letter from her husband, combat specialist Jimmy Hensley, saying the Stark had major problems.

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Francis continues:

(Linda Hensley: "They've had major breakdowns in their engine rooms and they would only go three knots an hour and that the ship needed an overhall. And that's the only, you know, major things that he's told me -- that they could not run, but they could still fight.")

Under what is now called the more serious rules of engagement, U.S. commanders in the Gulf have orders from Washington not to let suspicious planes get close enough to launch any missiles.

(Lt. Gen. Richard Burpee: "What we're saying to them now is heighten your awareness -- if you see an aircraft coming down and, in this case, were he turned toward them, he can now say we'll take him out and ask questions later.")...

(Senator Howard Baker: "If we see aircraft in an attack mode, long before they reach us or before they are in a position to shoot at the belligerents, meaning Iran and Iraq, should be on notice that we are going to shoot them down.")

The U.S. this month will begin protecting Kuwait oil tankers flying the American flag and many naval officers believe more U.S. warships and aircraft will be needed to enforce the shoot-first rules. Pentagon officials say that by next week, U.S. warplanes...will be flying over the Persian Gulf to back up the ships of the naval task force.

NBC's Chris Wallace: Addressing high school students in Tennessee, the President emphasized the U.S. will not be driven from the Persian Gulf.

(TV coverage: The President walking across the stage and to the podium at the Tennessee high school.)

Mr. Reagan said this country has vital interest in the region and in the wake of the Iraqi attack will be more aggressive.

(The President: "From now on, if aircraft approach any of our ships in a way that appears hostile, there is one order of battle -- defend yourselves, defend American lives.")

But in an interview with local reporters, the President had to deal with a complex situation. He was understanding towards the country which hit the U.S. ship, saying, "I've had a very fullsome apology from the President of Iraq." He was much tougher towards the country not involved, saying, "The villain in this piece really is Iran and so they are delighted with what has just happened." And accepting the idea that this was just an accident, the President and his men saw no need to build up U.S. forces in the Gulf. But the renewed commitment of American ships into the region cause great concern in Congress, where some question whether the Administration has fully thought out what it is doing there.

(Rep. James Traficant: "But all the money in the world isn't going to provide for a defense without a sound rational policy and I'm asking, 'Where is ours?'")

(Sen. Bob Dole: "We need to rethink exactly what it is we're doing in the Persian Gulf. What are our goals? What is our strategy? What are the risks and how much cost are we willing to pay?")

One reason for these doubts -- the U.S. now get less than 10 percent of its oil from the Gulf, while Europe and Japan get more than half of their oil from the area -- which led to sharp questions for Defense Secretary Weinberger.

Wallace continues:

(Sen. James Sasser: "Why is American treasure and U.S. blood being spent to safeguard these oil lifelines to Japan and to Europe? Where are their naval vessels?"

Secretary Weinberger: "It is essential that if we're going to exist in the world and keep our freedom, that our people will have to go in harm's way from time to time.")

Later, a State Department official informed Congress the Administration will go ahead with plans to put Kuwaiti tankers under the U.S. flag giving them full protection against attacks from Iran.

(Richard Murphy, Assistant Secretary of State: "We believe that our naval presence, which has been in the Gulf for over 40 years, will continue to have this deterrent effect.")

The White House clearly sees this in terms of what a great power must do to maintain its place in the world, but some in Congress remember when Mr. Reagan sent troops into Lebanon four years ago to make a diplomatic point and later had to pull those troops out under fire. (NBC-Lead)

ABC's Peter Jennings: We learn today that 37, not 28, Americans have died in the attack on the USS Stark in the Persian Gulf. And from the Navy late today these pictures taken yesterday of the Stark shortly after she was attacked. As you can see, she is listing about 10 degrees in the water -- the result of the damage done by the Exocet missile fired by an Iraqi jet in the darkness the night before. There you get some sense of how much damage an Exocet, a French-built missile traveling at just under the speed of sound, can do as it swoops across just above the ocean and into the side of a ship which did not, on this occasion, defend itself. And there the interior of the Stark as recorded by the Navy and in some cases the rescue workers...seeing what they can do. Enormous damage was done inside when the missile exploded inside the ship's quarters. On some occasions, ships have sunk without the missile even exploding. The ship took on water and as you can see, some of the dead being removed and taken to shore. They went in some cases towards the United States today. And on deck the men who man the Stark on her mission in the Persian Gulf, expressing how much of the country feels today as this attack by an Iraqi jet after dark at night -- a ship not able to defend itself, or at least choosing not to defend itself. We still do not know why. The Stark limped into port today at Bahrain.

ABC's David Ensor reports from the Persian Gulf on the damage to the Stark and on the statement by the task force in the Gulf.

ABC's Bob Zelnick reports from the Pentagon in the military situation in the Persian Gulf.

ABC's Sam Donaldson: President Reagan today blamed Iran for the conditions that made possible the attack on the Stark, an attack Mr. Reagan told high school graduates in Chattanooga, Tennessee, must never be repeated.

(The President: "This tragedy must never be repeated. From now on if aircraft approach any of our ships in a way that appears hostile, there is one order of battle -- defend yourselves, defend America lives.")

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Donaldson continues:

In an interview with print reporters, the President said, "The villain in this piece really is Iran. They're delighted with what has just happened." It was Iraq that started the war and is...Iranian shipping. But the President's reasoning in blaming Iran is that Iran threatened to close the Gulf and that is why U.S. ships are there -- to keep it open. The President said he still doesn't know why the Stark didn't defend itself. On Capitol Hill, there were suggestions that the U.S. position in the Gulf be reexamined.

(Sen. Bob Dole: "And we need to rethink exactly what it is we're doing in the Persian Gulf. What are our goals? What is our strategy? What are the risks and how much cost are we willing to pay?")

The President today ordered the flag to fly at half-staff in memory of the casualties. And he himself planned to attend the memorial service at week's end. The President's attempt to blame Iran for the tragedy is understandable, but in light of his own sale of arms to Iran, somewhat improbable. In fact two of his aides said today they don't believe the American people will buy it.

ABC's Richard Treldeld reports on the political/military status of the Middle East. (ABC-Lead)

CBS's Bob Schieffer: The Stark was being towed into Bahrain in the Persian Gulf today and a naval board of inquiry was on its way to find out what happened and why the ship did not defend itself. More than two days after the attack the answers are still unclear, but the damage is clear.

CBS's Alan Pizzey reports from the Gulf on the damage to the USS Stark and the task force's report.

CBS's Bill Plante: Making an emotional pledge that the tragedy of the Stark will not be repeated in the Persian Gulf, President Reagan promised U.S. ships would protect themselves.

(The President: "From now on, if aircraft approach any of our ships in a way that appears hostile there is one order of battle -- defend yourselves, defend American lives.")

(TV coverage: The President on stage speaking to the Tennessee high school graduates.)

Mr. Reagan told a high school commencement audience in Tennessee he has ordered the nation's flag lowered to half-mast in mourning for those who died in the attack.

(The President: "In life, they were our sons and brothers, our buddies and loved ones. In death they are our heroes.")

In an interview with newspapers reports, the President suggested, "The villain in this piece really is Iran. They are delighted with what has just happened." Keeping the Gulf open, said Mr. Reagan, "Is important to us from our continued need to import oil and to our western allies." But some in the Senate pointed out that the U.S. gets only a tiny fraction of its oil through the Persian Gulf and questioned U.S. policy in the area.

(Sen. Sasser: "Why is American treasure and U.S. blood being spent to safeguard these oil lifelines to Japan and to Europe? Where are their naval vessels?")

Administration officials counter that U.S. interests go beyond just oil.

Plante continues:

(Richard Murphy: "We attach great importance to freedom of navigation in the Gulf, indeed throughout the world.")

Ironically though it was Iraq which fired the deadly missiles, Mr. Reagan could not resist blaming Iran, a nation with which he has a long history of bad feeling and ill will. The President is expected to travel to a memorial service for the victims of the Stark tragedy later this week.

CBS's Peter Vasant reports from Mayport, Florida, on the families of the USS Stark's sailors.

CBS's David Martin attempted to respond to questions posed by CBS's Schieffer: why did the death toll jump overnight from 28 to 37; did the Stark have enough weapons to defend herself; what will happen now to the captain of the Stark; what are the chances we will see more incidents like this? (CBS-Lead)

REACTION FROM IRAN

Brokaw: Iran's parliament speaker Rafsanjani said today that "God's hand was behind the attack on the UUS Stark." He compared it to the loss of eight U.S. servicemen in that ill-fated attempt to rescue American hostages in Iran in 1980. (NBC-10)

COMMENTARY ON U.S. POLICY IN THE GULF

NBC's John Chancellor: It's too early to get all the answers about what happened to the USS Stark, but it's not too early to pose the questions. One of the main questions -- does the U.S. Navy have enough ships in the Persian Gulf to do its job there? The Administration says American interest include the threat to commercial shipping and the free flow of oil out of the Gulf -- big interests -- and both are endangered by the Iran/Iraq war. The Persian Gulf is a war zone whether or not it is called that. Since 1984, 230 ships have been attacked by either Iraq or Iran. This year the attack have come on the average every three and half days. It's big -- 475 miles long and the most dangerous body of water in the world today. In it, the U.S. Navy had seven ships on patrol -- seven smallest ships without adequate air cover. Now it has six. The question is inescapable -- was the force strong enough? Was the policy thought through? What happened to the USS Stark brings to mind the massacre of the Marines in Beirut when 241 men died. Their mission hadn't been thought through. They were pathetically vulnerable to attack. In Beirut the Marine guards were ordered for policy reasons not to load their guns. Was the disaster of the Stark caused by a policy that wasn't thought through? Too few ships? Too big a job? When a country sends its military or naval forces into a dangerous area, it has to think about the unthinkable, about the worst thing which might happen. American policy in Beirut didn't do that. Was there a comparable failure of policy -- of thinking -- about the U.S. Navy in the Gulf? That's the question which needs the answered. (NBC-11)

IRAN-CONTRA HEARING

Brokaw: He called himself a foot soldier in the private effort to fund the Nicaraguan contras and this young man, Robert Owen, told Congress an intriguing tale of how that effort worked -- complete with cash payments, secret code names, and courier flights with envelopes of money.

NBC's John Dancy: Robert Owen described himself as Oliver North's man and a secret agent for North. He's a Stanford University graduate and a self described idealist who says he is willing to go to jail for anything he may have done to help the contra cause. Owen told today of making a trip to New York once for North to pick up cash at a Chinese market. He identified himself to a man there by a code name.

(Owen: "He walked behind the counter. I believe he rolled up his pant leg and pulled out a wad of \$100 bills.")

Neil Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me and asked me if I wanted to count it. I did know how much I was suppose to be getting, but I decided I'd better count it anyways."

Eggleston: "And how many \$100 bills did he give you?"

Owen: "There were 95 -- it was \$9,500.")

The operation regularly used codes and nicknames. Owen addressed one memo to "B.G."

(Eggleston: "What does B.G. stand for?"

Owen: "I was afraid you were going to ask me -- it was a nickname we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Owen conceded he and North walked what he called a fine line with regard to the law forbidding government aid to the contras. And North was aware of it.

(Owen: "He said on several occasions that he would always be the fall guy if this story ever broke.")

Owen said he did not believe President Reagan would condone the breaking of laws but he believed he and North were acting with authority probably from the CIA.

(Owen: "My personal view -- I don't know whether you want that or not -- would be that Director Casey probably knew everything that Col. North was doing and was fully aware of it and there have been others as well. There were times when I would be in Col. North's office and he would have phone conversations with the director. There was one time when I was coming out and the director was going in or vice versa.")

Rep. Lee Hamilton: "And so your impression was that Col. North kept in very close touch with Director Casey on a regular basis, is that it?"

Owen: "Yes, sir.")

So in two days of testimony, Owen has given us a picture of a contra war being run by Oliver North out of the White House with North dispensing thousands of dollars from a White House safe -- a war being run with the frequent help of the CIA in the form of maps, transportation and communication -- all of this at a time when such help was forbidden by Congress.

(NBC-2)

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Jennings: The Iran-contra hearings resumed today on Capitol Hill. The witness was one of the nuts-and-bolts players in the cloak-and-dagger operation to fund the contras.

ABC's Brit Hume: Once again today there was testimony from Robert Owen, the self described foot soldier for the contra cause who acted as Oliver North's courier while also working for the contras themselves and, for a time, for the State Department, distributing U.S. humanitarian aid. Owen told of trips to New York on bank holidays to fetch emergency money for the contras, of finding himself in a Chinese market on New York's lower west side saying he was sent by a man, as he put it, something like "Mooie."

(Eggleston: "Did that person then give you anything?"

Owen: "Yes he did. He walked behind the counter, I believed he rolled up his pant leg and pulled out a wad of \$100 bills...I know he pulled out a wad of \$100 bills."

Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me and asked if I wanted to count it. I did not know how much I was suppose to be getting, but I decided I'd better count it anyways."

Eggleston: "And how many \$100 bills did he give you?"

Owen: "There were 95 -- it was \$9,500.")

Owen said he brought the money back to Washington and gave it, packed in a newspaper, to Gen. Richard Secord in a downtown hotel. Secord was running the contra supply network. And he told of memos to Oliver North at the White House and of one in particular.

(Eggleston: "And actually, at the beginning is says, 'To: B.G.,' what does B.G. stand for?"

Owen: "I was afraid you were going to ask me. It was a nickname we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Owen said he and North joked at times they might wind up behind bars.

(Owen: "The feeling was that should our efforts be found out, there would be people who would want to find something illegal about it, probably try to throw us in jail.")

But he said North assured him what North would do if the worst happened.

(Owen: "Often times when information came out, he and I would talk and he said on several occasions he would always be the fall guy if this story every broke.")

Owen said North told him he was acting on higher authority. And Owen speculated it came from CIA Director Casey.

(Rep. Lee Hamilton: "Why did you think that?"

Owen: "There are a couple reasons. There were times when I'd be in Col. North's office and he would have phone conversations with the director. There was one time when I was coming out and the director was going in or vice versa; so I think that through those few times and through some of the things Col. North said, including the fact that he would be the fall guy and that Bill Casey agrees with that, that that was my assumption.")

At the end, Owen read a poem, an ode of sorts to Oliver North.

(Owen: "You are giving our children a chance to live as free individuals, and for these things we say thank you Ollie North. And I can only add that I love Ollie North like a brother.")

Hume continues: There will be much more about North and the late William Casey. Some committee Republicans are convinced Casey was the prime mover behind the contras supply network and that the last thing he would have done is tell the President about it. Now, of course, he can't tell the committee either. (ABC-2)

CBS's Phil Jones: Robert Owen...today vigorously denied breaking any laws but told of conversations with North about going to jail.

(Owen: "There were a couple of occasions that we would laugh about it and joke, yes.... He said on several occasions that he would also be the fall guy if the story every broke.")

There were numerous copies of memo written by Owen...

(Eggleston: "What does B.G. stand for?"

Owen: "I was afraid you were going to ask me -- it was a nickname that we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Several times today, Owen testified about CIA involvement in trying to deliver intelligence, weapons and supplies to the contras when U.S. law explicitly prohibited the agency's involvement. And Owen said he thought former CIA Director William Casey knew everything North was doing.

(Owen: "When I was talking with Col. North and he said that when the decision was made or when it was known that the contras were not going to have any more funds, the director approached him and asked him who the best person would be to go down there and at least try to help them through this process.")

Owen, who testified with limited immunity, told about cash running missions at Col. North's request, including one trip to see a man at a New York Chinese market.

(Owen: "Yes he did. He walked behind the counter, I believe he rolled up his pant leg and pulled out a wad of \$100 bills...I know he pulled out a wad of \$100 bills."

Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me.")

Owen also said he had received \$1,000 in travelers checks from North on his wedding day in 1985. At the end of two days of testimony, "the courier," as he was called by North, insisted on reading a poem.

(Owen: "Yet in our darkest hours, we have three things that help sustain us -- our faith in God almighty, the love and support of our families, the knowledge that on this troubled earth there still walk men like Ollie North.") (CBS-3)

WILLIAM WEBSTER CONFIRMED

Brokaw: The U.S. Senate this evening voted overwhelmingly to confirm FBI chief William Webster as the new director of the CIA. (NBC-3, ABC-3, CBS-2)

GENERAL DYNAMICS INVESTIGATION

Brokaw: For three years now the Justice Department has been investigating General Dynamics -- for allegations that the big defense contractor lied about delivery dates and cost overruns when it build (Navy) submarines. The Justice Department ended it's investigation, saying it can't prove the charges. (NBC-4, ABC-6, CBS-7)

EDITORIALS/COLUMNISTS

ATTACK ON USS STARK

Hit In The Gulf -- "Neither country [the U.S. and Iraq] wanted this terrible incident to get in the way of the business they are doing together.... The incident should make the U.S. think much harder about ways to diminish the hazards of duty in and about a Third World war zone.... The strategic situation in the Gulf is what counts now.... For the first time, the U.S. has found an acceptable way to put military power behind its long-stated goals of a cease-fire which would leave Iran in occupation of a slice of Iraq, and then a negotiation that would respect the territorial integrity and sovereignty of both sides. The Kremlin reinforces this plan, and the other Arabs and almost everyone else nervously support it. The risks, including not just accidental attack by Iraq but deliberate attack by Iran, are evident. But the goal is the right one."
(Washington Post, 5/19)

The Attack On The Stark -- "Iraq's blundering attack on the frigate Stark should not change America's aim or means in the Persian Gulf. A military presence is needed to reassure the Gulf states against encroachment by Iran.... But the death of 28 sailors and the crippling of their vessel by a single Exocet missile weighs heavily.... Until America weans itself from Persian Gulf oil, the stakes are too high to do nothing. All the more reason for the Navy to learn why the Stark wasn't better able to defend itself, and for the Reagan Administration to press Iraq hard for an accounting."
(New York Times, 5/19)

The Attack On The Stark: Accidental Or Inevitable -- "U.S. policy planners...must weigh the arguments in favor of a U.S. Naval presence [in the Gulf] against the dangers involved.... For the moment it appears unlikely that diplomacy without a military component can suppress the tanker war. To achieve that goal, U.S. warships probably would have to remain in the gulf. But in making that commitment, the government and the nation must remember the Stark -- and realize that more ships and sailors may be lost."
(Philadelphia Inquirer, 5/19)

Tragedy In The Persian Gulf -- "Iraq owes the U.S. a speedy and complete explanation of the deadly missile attack Sunday on the American frigate Stark. And the U.S. Navy owes the survivors of the dead crewmen, and the American people, an explanation of why the Stark apparently made no move to defend itself.... At this point, there are many more questions about the Stark affair than answers. But it does seem that if the U.S. is to be an effective peacekeeper in the Middle East, it must first make certain it defends its own forces adequately."
(Los Angeles Times, 5/19)

Blood In The Gulf -- "The easy response to the Iraqi attack on the USS Stark, and the death of over two dozen American seamen, is to call for a retaliatory blood-letting. But retaliation would be neither just nor expedient, judging from what is known.... A U.S. exit from the Gulf now would not only leave American merchant ships naked to...combatants but would be an invitation to more jolly tarskis from Moscow."
(Washington Times, 5/19)

ATTACK ON USS STARK continued

Questions About The Stark -- Sunday's attack, unprovoked and without warning, must be thoroughly investigated.... President Reagan is right to demand a full explanation from the Iraqi government. He has maintained a careful balance in his remarks about the incident and the war which caused it. He and his military advisors owe the American people some answers as well, however.... In war, accidents sometimes happen. Ways must be found to minimize the terrible cost such accidents can bring."

(Baltimore Sun, 5/19)

Shot In The Gulf -- "The complete story isn't out yet -- but bring it on, full and fast. Initial reaction seems to be that by its attack on the USS Stark Iraq has proved itself either duplicitous or dumb. Neither is encouraging.... Raising the American profile anywhere puts America at risk, and nowhere more than in the Middle East must they be ever alert for both error and terror. This incident raises a specific specter of another peacekeeping mission to protect innocents from combatants, that one in Beirut, where a Marine contingent was not so prepared or protected as it should have been."

(Richmond Times Dispatch, 5/19)

A War Zone By Any Measure -- "The Iraqi attack on the Stark was said to be inadvertent -- a case of mistaken identity. But it would not be surprising if it were a deliberate act, staged to call attention to the need to end the war.... If the Persian Gulf remains a war zone, the United States and Soviet Union will become involved more directly than they are now, and at an incalculably high cost."

(Hartford Courant, 5/19)

In Harm's Way -- "The unwarranted attack on the USS Stark in the Persian Gulf on Sunday has generated calls for increasing the U.S. presence in the Gulf, and also for full withdrawal. This is to be expected in a country that engages in a nonstop, free-wheeling debate on defense issues. The most serious question about the Stark incident, however, is how a U.S. naval vessel could be so vulnerable to attack.... The U.S. Navy has been rebuilt during the Reagan Administration to make it once again a formidable force for keeping the sea lanes open. There are few more important goals in U.S. foreign policy. Ours is a Navy specifically designed to sail into 'harm's way.' If it cannot or will not accomplish its mission, some very tough questions need to be asked."

(Detroit News, 5/19)

Harm's Way In The Persian Gulf -- "The deadly attack on a U.S. frigate in the Persian Gulf leaves both Iraq, whose aircraft apparently launched the missiles strike, and the United States with a lot to answer for.... The United States has shown considerable forbearance since the Sunday afternoon attack on the USS Stark. That is appropriate because everyone involved needs time to sort out exactly what happened and why. The U.S. does not want to help Iran, which is gloating over the incident, by launching reprisals against Iraq. But already President Reagan has made it clear that he sees this incident as evidence that it is in the U.S. interest for the war to come to an end. And unless a lot of answers are forthcoming, the pressure to do something to strike back will mount."

(Chicago Tribune, 5/19)

FOREIGN MEDIA REACTION

ATTACK ON USS STARK

"It has been arguable for some time that it served international interests to allow the two big Gulf powers to fight each other to a standstill. But this argument is wearing thin. Iran looks the more capable of winning; and the great powers have proved incapable of protecting some of the world's most essential shipping.... The attack on the Stark means that those powers should act to bring the Gulf war to an end."
(Times, Britain)

"Doubts in the Gulf about what to make of American foreign policy will have been augmented by the successful but mistaken Iraqi Exocet attack.... This embarrassment comes at a time of increasing competition between the superpowers for the attention of the Gulf states.... The failure, largely by default, of the Reagan initiative on a Palestinian homeland, and the deep humiliation of spelling out one policy toward Iran and carrying out another, have imposed handicaps on the State Department which it may take years to remove. At present there is no reason why the two superpowers should not work in harmony in the Gulf.... The close cultivation of the Gulf by the State Department, kept in the dark by Irangate, is beginning to yield a slightly bitter crop."
(Guardian, Britain)

"Never has the risk of internationalization on the conflict been so great. With the attack against the U.S. frigate Stark and the two Soviet ships recently, the two superpowers are now physically involved in the Gulf War.... Giving up reservations, Washington and Moscow are taking risks in order to defend the freedom of movement in the Gulf waters."
(Figaro France)

"The Iraqis are supposed to fight against Khomeini's troops, not against the United States. The confusion is all the more striking and embarrassing since the Reagan Administration cannot do anything to obtain redress.... The attack was an error, and even looking at the event with seriousness the United States can do nothing but protest officially. U.S. public opinion is realizing that a war is taking place on the 'oil-way' and the United States is bearing the brunt of the Iran-Iraq war."
(Quotidien, France)

"An incident in the Gulf was only to be expected. The Pentagon deliberately ran a risk when it deployed a good dozen warships in the operational area between Iraq and Iran in order to protect Western oil supplies.... The incident again highlights the problems associated with supplying modern weapon systems to inexperienced and only moderately well-trained armed forces."
(Die Welt, West Germany)

"The recent attacks (including those on Soviet ships) show that the center of the war...has moved to the strait. It is the battle for oil that is escalating -- first and foremost the battle for the export of Black Gold.... Secretary Shultz called the situation if the Gulf 'very serious.' U.S. reports that Tehran is planning to attack Kuwait have certainly contributed to this. Regardless of the rumors -- more and more radical tones are being heard in Tehran."
(Frankfurter Allgemeine, West Germany)

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ATTACK ON USS STARK continued

"If the two superpowers really were to act in concert, Tehran would rapidly regain its sense of reality. However, Washington and Moscow remain rivals, and they pursue quite different goals in the Middle East."

(Sueddeutsche Zeitung, West Germany)

"The danger now is that the political impotence of the two superpowers...may result in a risky and uncoordinated military display.... A U.S.-USSR agreement on such a serious regional crisis would indeed represent a real signal of a new course in East-West relations, much more than an agreement on nuclear weapons."

(La Stampa, Italy)

"The physical damage is already serious, the political damage could become very serious if the U.S. public and Congress urge the White House to 'disengage,' thus leaving to the Kremlin the monopoly on the 'protection' of Western interests.... The Persian Gulf...resembles more and more the Lebanon of a few years ago, and Americans have already paid a similar price in blood.... Let's try to imagine what could happen the next time the oil price goes up if the problem is not dealt with in time."

(Il Giornale, Italy)

"Ronald Reagan, already weakened by Irangate, will not be able to pretend nothing has happened..... Reagan will have to indicate how he intends to avoid other 'accidents' in the future. Most of all, however, he will have to explain why U.S. Marines and ships must continue to run this kind of risk without even being able to react."

(Il Sole-24 Ore, Italy)

"The U.S. can't play the role of international policeman without paying the price.... When Americans are killed, that is another matter; it may prompt the big powers to intervene more energetically to restore peace between Iran and Iraq, especially coming on top of recent attacks on two Soviet ships."

(Le Matin, Switzerland)

"It seems likely that the government will be content with (Iraqi apologies). For despite President Reagan's fierce words, one realizes only too well here that the U.S. must keep Iraq as a friend if it is still to exert any influence in the Persian Gulf."

(BRT Radio, Belgium)

"U.S. permanent naval 'patrolling' in the Gulf has assumed an evermore menacing nature, fraught with the threat of a future and extremely dangerous flare-up of tension throughout the region and even perhaps of the conflict spreading elsewhere."

(TASS, Soviet Union)

"Now, with the two superpowers directly tasting some of the Gulf war dangers, we believe this should be sufficient for them to take, through the UN Security Council, action to impose peace or at least to confront the party which is rejecting peace and force it to accept a ceasefire."

(Akhbar al-Khaleej, Bahrain)

"The attack on the USS Stark...demonstrates clearly the urgent need for new diplomatic solutions...to bring seven years of bitter conflict to an end. The U.S. and the Soviet Union for once have a common goal: freedom of navigation in the Gulf for the sake of regional and world security."

(Gulf Daily News, Bahrain)



News Summary

OFFICE OF THE PRESS SECRETARY

WEDNESDAY, MAY 20, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

TRIP NEWS

'Just Say Yes To Education,' Reagan Urges -- Flanked by tiers of colorful caps and gowns President Reagan urged area graduating seniors to shoulder their responsibilities and say no to drugs.

(Chattanooga New-Free Press, Chattanooga Times, Washington Times)

INTERNATIONAL NEWS

Fleet's Orders: Shoot First, 'Ask Questions Later' -- President Reagan's new orders to commanders of U.S. warships in the Persian Gulf give them more freedom to shoot down hostile aircraft "and ask questions later," a Pentagon official said.

(Christian Science Monitor, Wall Street Journal, Washington Post, Washington Times, Reuter)

IRAN-NICARAGUA

Owen: Casey Knew Everything North Was Doing -- Robert Owen testified that he believes the late William Casey, then CIA director, was behind Oliver North's secret network that funneled weapons to the contras.

(Wall Street Journal, Washington Post, AP, Copley, Newhouse, Scripps Howard)

NETWORK NEWS (Tuesday Evening)

USS STARK -- At least 37 sailors are dead as a result of the Iraqi attack on the USS Stark.

IRAN-CONTRA -- Robert Owen denied breaking any laws but told of conversations with Oliver North about going to jail.

WEBSTER -- The Senate confirmed William Webster as head of the CIA.



TRIP NEWS

REAGAN PRAISES SCHOOLS Puts Challenge To Seniors Here

CHATTANOOGA -- President Ronald Reagan challenged 3000 cheering graduating seniors of the Chattanooga and Hamilton county school systems to "be all you can be" to help shape the destiny of this nation in the 21st century.

"Nothing is more important to opening up the opportunities of our country than finishing high school" the President continued. "So if you have a friend who didn't make it or who is thinking of quitting, could you do something for me? Ask them to give it another try. Tell them they can do it if they stick with it."

The chief executive lauded the "good work" of members of Students Staying Straight. "We can't expect excellence in an environment of drug permissiveness. It's time to get drugs off our campuses and out of our school yards."

(Jeff Powell & Ronnie Moore, Chattanooga News-Free Press, A1)

'Just Say Yes To Education,' Reagan Urges

CHATTANOOGA -- Flanked by tiers of colorful caps and gowns President Reagan urged area graduating seniors to shoulder their responsibilities and say no to drugs.

"So many of you have helped your friends 'just say no' to drugs. Help your friends 'just say yes' to finishing school," Reagan said in a commencement address at the University of Tennessee-Chattanooga arena to about 9000 seniors, teachers and parents.

Before a banner that said "Education for America's Future," Reagan told seniors representing 13 city and county public high school, he came to congratulate them.

(Wade Rawlins, Chattanooga Times, A1)

Reagan Tells Students To Say No

CHATTANOOGA -- President Reagan took his campaign against drugs and permissiveness here, urging graduating high school seniors to "stand shoulder to shoulder against this evil that undermines the moral fiber of the nation.

He took aim, in particular, at the movie and recording industry for portraying drug use in a "positive, upbeat way."

(Washington Times, A2)

REAGAN PAYS TRIBUTE TO VICTIMS,
SAYS IRAN IS 'THE REAL VILLAIN'

CHATTANOOGA, Tenn. -- President Reagan paid an emotional tribute to "our heroes" who died in the Iraqi attack on the USS Stark and said Iran "was the real villain in the piece" because it had refused to negotiate an end to the 6½-year war.

Reagan ordered that flags be lowered to half-staff in memory of the 37 crew members killed when one or more missiles launched by an Iraqi fighter struck the guided missile frigate Sunday in what the President said was "a tragedy that must never be repeated." And in an interview and a speech to high school students, Reagan vowed that the U.S. would keep oil supplies flowing through the Persian Gulf.

He was loudly applauded by an audience that had sat quietly through a speech in which Reagan exhorted American students to work harder and denounced the glamorizing of drug use.

Reagan's speech here today, to a commencement gathering of 13 area high schools, compared American schooling unfavorably to Japanese education. The President said that in this country "everyone made excuses," such as poverty or family problems, when a student performed poorly.

"In Japan, the message to students was always, you're responsible for what you make of your life," Reagan said. "In the U.S., too often, it was that you aren't."

(Lou Cannon, Washington Post, A23)

Reagan Tells Military: 'Defend Yourselves'

CHATTANOOGA -- President Reagan declared that U.S. military forces have been told to "defend yourselves" as the death toll from the Iraqi attack on a Navy frigate mounted to 37 and the Senate Republican leader demanded a reassessment of the U.S. military posture in the Persian Gulf.

In an interview with Chattanooga area newspapers, Reagan said the Administration is waiting to find out why the guided-missile frigate didn't return fire at the attacking Iraqi missile-firing plane in the 60 to 90 seconds such a response would have been possible.

"We're waiting to find out now is what exactly was the situation on the ship and the attitude, and why they...hadn't prepared," Reagan said. He noted that "general quarters hadn't been sounded, as it might be, if a hostile plane were coming into the area."

(Norman Black, AP)

INTERNATIONAL NEWS

SHIP'S CREW SAID UNAWARE OF IRAQI MISSILE ATTACK

MANAMA, Bahrain -- The commander of U.S. naval forces in the Persian Gulf, Rear Adm. Harold Bernsen, said he believes the captain and crew of the USS Stark did not think they were under missile attack from an Iraqi warplane and may have discovered their peril only when a lookout screamed that the ship was about to be hit.

Bernsen said the two missiles that hit the ship did not emit electronic "lock-on" signals typical of French-made Exocet missiles, the type reportedly fired by the Iraqi pilot. In the absence of such signals, the Stark's radar was incapable of picking up the missiles, he said.

(Patrick Tyler, Washington Post, A1)

Fleet's Orders: Shoot First, 'Ask Questions Later'

President Reagan's new orders to commanders of U.S. warships in the Persian Gulf give them more freedom to shoot down hostile aircraft "and ask questions later," a Pentagon official said.

Lt. Gen. R.A. Burpee, director of operations for the Joint Chiefs of Staff, interpreted the new rules of engagement to mean that the captain of U.S. warship in the volatile region "can now say, we'll take him (a hostile aircraft) and ask questions later."

(James Dorsey, Washington Times, A1)

Saudi Jets Refused Request By U.S. To Intercept Iraqi

Two Saudi Arabian F15 fighters refused a U.S. Air Force request to intercept an Iraqi aircraft after it attacked the USS Stark in the Persian Gulf, Defense Department sources disclosed.

The Saudi refusal has infuriated Pentagon military leaders who have learned about it and may provoke protests in Congress at a time when U.S.-Saudi relations are under scrutiny in the Iran-contra hearings. "You better believe we're angry about it," said one official, who asked not to be identified.

(George Wilson, Washington Post, A1)

Stark's Crew Never Knew What Hit Them

MANAMA, Bahrain -- The crew of the U.S. ship blasted by an Iraqi missile attack Sunday knew an Iraqi pilot had locked the ship on his radar, but didn't know he had fired any missiles, the commander of U.S. forces in the Persian Gulf said.

Adm. Harold Bernsen said he did not think the captain of the frigate USS Stark, Cmdr. Glenn Brindel, was on the bridge when the attack occurred. He said it did not appear the crew tried to fire at the Iraqi aircraft or missiles during the attack.

(Washington Times, A1)

Stark's Agony Ends, Inquiry Begins Into Exocet Missile Attack

MANAMA, Bahrain -- Military experts remain baffled why the USS Stark failed to anticipate the mistaken Iraqi missile attack that killed 37 sailors in the Persian Gulf.

U.S. investigators were arriving to begin a probe of the incident, including why the frigate failed to activate its anti-missile defenses when it knew Iraqi warplanes were approaching.

Rear Adm. Harold Bernsen, commander of U.S. ships in the region, told reporters that the ship had been on alert state three, meaning all weapons were manned and ready for use. (James Foley, Reuter)

U.S. Reaffirms Its Intention To Protect Kuwaiti Tankers Despite Attack By Iraq

A senior Reagan Administration official said that, despite Sunday's attack on the USS Stark, the Administration will follow through on its agreement to protect Kuwaiti tankers in the Persian Gulf, with the first of the tankers ready to sail in a few weeks.

Richard Murphy, assistant secretary of state for Near Eastern and South Asian Affairs, told Congress that despite the attack in which 37 American crewmen were killed, the Administration plans to register the Kuwaiti tankers under the U.S. flag, giving them "the U.S. Navy protection given any U.S.-flag vessel transiting the gulf." The balance of 11 tankers set for U.S. protection would be ready by mid-July.

(Robert Carrington & Tim Carrington, Wall Street Journal, A3)

New Accord To Let Kuwaiti Tankers Fly U.S. Flag

The Reagan Administration, facing an increasingly skeptical Congress, said it had reached "general agreement" with Kuwait to fly U.S. flags over 11 Kuwaiti oil tankers and that the first of those tankers could be operating in the Persian Gulf "within weeks."

But Senate Minority Leader Robert Dole, expressing growing concern on Capitol Hill, called for "a special, renewed examination" of the agreement. Saying the plan "may still make sense," Dole urged the Administration "to take a new look...in light of Sunday's tragedy."

Assistant Secretary of State Richard Murphy, calling the arrangement an "unusual measure to meet an extraordinary situation," told a congressional committee that he believes the U.S. flag and U.S. naval protection for Kuwait's tankers would deter Iran from continuing its stepped-up attacks against Kuwaiti oil exports.

(Don Oberdorfer & Molly Moore, Washington Post, A22)

Wary U.S. Officials May Consult Soviets On Gulf

The U.S. may consult with the Soviet Union about protecting international shipping in the Persian Gulf, even though the Reagan Administration does not want Moscow to enhance its influence in the region.

Asked if Washington would respond to a Soviet proposal for superpower cooperation in the Gulf, State Department spokeswoman Phyllis Oakley replied that there were discussions with the Soviets on a wide variety of issues, and consultations on Gulf navigation "could not be ruled out. (Richard Beeston, Washington Times, A5)

Gulf Attack Could Spur New Efforts To Resolve Iran-Iraq War

The latest incidents in Persian Gulf waters, including the accidental Iraqi air attack on the USS Stark, come at a time when the Iran-Iraq conflict appears to be stalemated, both militarily and politically.

But, regional analysts say, the war's shift of focus to attacks on Gulf shipping, and the growing involvement of the two superpowers, carry the 6½-year-old war into a new phase of heightened dangers -- and, perhaps, increased chances of resolution.

(Jim Muir, Christian Science Monitor, A1)

GORBACHEV OFFER ASIAN MISSILE PLAN

Would Scrap SS20s If U.S. Removes Arsenals, Restricts Carriers

MOSCOW -- The Soviet Union offered to scrap all of its medium-range SS-20 missiles in Asia if the U.S. agrees to withdraw its nuclear arsenals deployed in Japan, South Korea and the Philippines, and to restrict the movement of U.S. aircraft carriers in the region.

Gorbachev's proposal, seen as a bid to boost the Soviet image in Asia, also would expand the scope of negotiations on a medium-range missile treaty to include weapons of different types and shorter ranges, such as naval vessels and battlefield weapons.

A senior State Department official said Gorbachev's proposal was raised previously by other Soviet officials and rejected by the U.S. because there are no U.S. weapons in Asia comparable to the Soviet SS20.

(Gary Lee, Washington Post, A26)

HOUSE AGAIN OPPOSES NUCLEAR TESTS; SENATE STILL STALLED ON SDI LIMITS

The House reasserted its opposition to nuclear-weapons testing as the Senate failed for a second time to move forward on proposals to restrict testing of SDI.

The contrasting actions of the two chambers underscored the perils facing arms-control initiatives in the Democratic-controlled Congress, where the House has been resolutely churning out arms constraints only to see them run into procedural and other obstacles in the Senate.

(Helen Dewar & Edward Walsh, Washington Post, A4)

More Arms-Control Items Tacked Onto Defense Bill

The House, heading for a confrontation with President Reagan, added two more arms control measures to their \$289 billion defense authorization.

Voting generally along party lines, the House approved 234-187 to ban nearly all U.S. nuclear weapons tests. They also voted 229-188 to extend a current moratorium on tests of the final stage of an Air Force anti-satellite system.

(Jennifer Spevacek, Washington Times, A3)

GALVIN SAYS F5E FOR HONDURAS
WON'T SPARK LATIN ARMS RACE

Selling U.S.-made F5E jets to Honduras would not set off a Central American arms race; instead it would be like replacing a 1947 Ford with a 1987 Ford, the region's top U.S. military official said.

Gen. John Galvin, commander of the U.S. Southern Command, and Elliott Abrahms, assistant secretary of state for inter-American affairs, rejected charges from Western Hemisphere subcommittee Chairman George Crockett and other Democrats that the proposed \$75 million sale of 10 F5E jets and two F5s would spark "reactive purchases by Nicaragua and possible El Salvador."

(Joanne Omang, Washington Post, A4)

BRACY'S TESTIMONY MAY LET
PROSECUTORS REVIVE KEY EVIDENCE

Marine Cpl. Arnold Bracy, accused of allowing Soviet agents into the U.S. Embassy in Moscow, testified publicly for the first time, telling a military investigator that he is a deeply religious person who said no to drugs, alcohol and Playboy magazine.

Prosecutors, pressing what White House officials have conceded is a weak case, seized on the 21-year-old's statement and said they intend to use it to try reintroducing one of the case's most controversial pieces of evidence.

That is another Bracy statement, since recanted, in which he allegedly said he and another Marine allowed KGB agents to examine some of the embassy's most sensitive areas.

(Bill McAllister, Washington Post, A4)

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IRAN — NICARAGUA

CIA TIED TO CONTRA AID AFTER BAN

Owen, North's Latin Contact, Says Agency Gave Military Assistance

Robert Owen, who served as then-National Security Council aide Oliver North's main contact with the Nicaraguan rebels, provided the first detailed testimony that CIA personnel in Central America and Washington assisted the contras militarily after Congress had banned such aid.

Owen described how the CIA had provided military maps, helped locate a site for a clandestine air base in Costa Rica, and attempted to help transfer munitions from one contra faction to another.

He also said that Tomas Castillo, an alias for the CIA station chief in Costa Rica, had helped get weapons and food for contras inside Nicaragua. Castillo also was regularly in touch with North and U.S. Ambassador to Costa Rica Lewis Tambs as they attempted to put together a viable fighting force along the border with Nicaragua, known as the "southern front," Owen testified.

Sen. David Boren, chairman of the Senate Select Committee on Intelligence, noted that Owen's testimony contradicted what the CIA's Central American task force chief had told his panel last December.

(Dan Morgan & Walter Pincus, Washington Post, A1)

Owen: Casey Knew Everything North Was Doing

Robert Owen testified that he believes the late William Casey, then CIA director, was behind Oliver North's secret network that funneled weapons to the contras.

Owen, North's bagman in the contra supply operation from 1984 to 1986, told congressional committees investigating the Iran-contra scandal, "It's my personal belief Director Casey knew everything Col. North was doing."

The former National Security Council aide, Owen said, toiled "under the wing of certain people in the Administration."

(Lance Gay & Walter Friedenberg, Scripps Howard)

North Courier Tells Of Failed Attempt To Deliver Arms To Contras

Robert Owen, Lt. Col. Oliver North's liaison with the anti-Sandinista rebels in Nicaragua, testified that the CIA assisted him in a failed effort to deliver arms to the contras.

Owen said the ill-fated attempt to deliver arms to the contras occurred in March 1986, when the Boland amendment was in force. Involved in the effort were the CIA station chief in Costa Rica, who was not identified, and Col. James Steele, the head of the U.S. military assistance group in El Salvador, Owen testified.

Owen said he was ordered by North to accompany an air shipment of medical supplies provided by the State Department's humanitarian assistance program that was being flown from Washington to Central America. After the medical supplies were delivered, Owen said, the plane was supposed to pick up weapons for delivery to the contras.

But the weapons were not there when the Southern Air Transport L-100 arrived in Central America, Owen said. He testified that he pressed CIA officials and Steele into action in a fruitless effort to find the arms.

(Marcus Stern, Copley)

Owen Tells Of Role In 'Nonlethal' Aid To Contras As He Assisted Arms Network

Conservative activist Robert Owen testified that the Reagan Administration gave him a role in its Nicaraguan "humanitarian" aid program from which he also assisted the secret contra arms network overseen from within the White House.

Owen said he had been told an interagency group including representatives of the National Security Council, State Department and Central Intelligence Agency had made the decision to give him a State Department contract to work in the effort to provide so-called "nonlethal" aid to the contras. At the time, Congress had prohibited U.S. military aid to the insurgents.

But Owen said that while under the contract, he continued to work for the arms network under directions from fired NSC aide Lt. Col. Oliver North, who was in close contract with then CIA-Director William Casey.

From his position as a State Department contractor, Owen was able to travel frequently to Central America in 1985 and 1986. He said that on his trips he served as the "eyes and ears" of Col. North.

(David Rogers & Edward Pound, Wall Street Journal, A14)

Owen Says Casey Knew About Contra Aid Effort; North Was To Be Fall Guy

Robert Owen, a key operative in the clandestine U.S. aid program to the Nicaraguan contras, says former CIA Director William Casey knew in detail about Lt. Col. Oliver North's activities and agreed that North would be the "fall guy" should the covert scheme become public.

Owen also said he had heard complaints from contra leaders that U.S. middlemen had taken heavy markups on the prices of weapons sold to the contras -- as much as 300 percent in one instance, according to one senator.

Those complaints are likely to be echoed today when Adolfo Calero, leader of the largest rebel fighting force, appears at the witness table.

(Jim Drinkard, AP)

Owen's Testimony/Question Of Legality

Insisting that he violated no law while working as a courier between National Security Council aide Oliver North and the Nicaraguan contras, Robert Owen nonetheless says he and North joked about going to jail for their activities.

But asked by Rep. Louis Stokes when did he first realize that he was involved in "criminal conduct," Owen bristled, saying, "Sir, I haven't admitted I was engaged in criminal conduct. I think that's unfair."

Owen testified that North was resigned to being "the fall guy if this story ever broke." And he said he believed so strongly in the Reagan Administration's efforts to stop the spread of communism in Latin America that he was willing to take risks, including the risk of imprisonment.

(Robert Gettlin & Robert Lewis, Newhouse)

A True Believer Ensnarled; Owen Shows Awareness Of Possible Illegality

For Robert Owen, an earnest true believer in Oliver North's multiple secret operations, it all came down to the cause. He was willing to risk everything, including his life, he told Iran-contra investigators, if it contributed to stopping communism in Central America.

His account of furtive, admittedly "questionable" behavior, of "walking a very fine line" between legality and illegality, contrasted sharply with President Reagan's most recent assertion that there was nothing untoward about those like Owen who assisted the Nicaraguan contras.

Reagan insisted last Friday that "there is nothing in the law that prevents citizens -- individuals or groups -- from offering aid of whatever kind they wanted to give."

But the story Owen told...showed that he and Marine Lt. Col. Oliver North -- whom he called "Blood and Guts" and described as his covert "Godfather" -- realized they were engaged in potentially illegal acts. They even joked about going to jail for their activities, the tall, slim, cherubic-looking Owen testified.

(Haynes Johnson, Washington Post, A1)

SWISS SET RELEASE OF BANK DOCUMENTS
Neither North Nor Secord Appeals Ruling

GENEVA -- Swiss authorities said that bank account documents related to the Iran-contra affair would be made available to U.S. investigators within the next two weeks.

The way was cleared for release of most of the documents when only two of the account holders involved appealed a Swiss government decision to open the accounts by the deadline yesterday. The two who appealed are Manucher Ghorbanifar and Albert Hakim.

(John Parry, Washington Post, A13)

EDITOR'S NOTES: "The Testimony Of Robert Owen," appears in The Washington Post, A12.

"FBI's Unusually Close Relationship With North Slated To Be Major Area Of Iran-Contra Hearings," by Andy Pasztor, appears in The Wall Street Journal, A72.

NATIONAL NEWS

REAGAN UNVEILING GUIDE FOR SCHOOLS IN POOR AREAS

President Reagan unveiled a guide intended to help transform schools in inner cities and other pockets of poverty into a "ladder for success" for disadvantaged children.

The how-to booklet, "Schools That Work: Educating Disadvantaged Children," is the third in a series of guides for parents and educators prepared by the Department of Education.

It profiles nearly two dozen schools and programs that have rung up sterling achievement scores and low drop out rates in the depressed surroundings that are usually synonymous with failure and fractured lives.

(Christopher Connell, AP)

Reagan Continues Education Blitz

President Reagan, back from promoting his educational goals in Tennessee, held the spotlight on schools again with a ceremony to unveil a handbook, "Schools That Work; Educating Disadvantaged Children."

The booklet, to be presented to the President by Education Secretary William Bennett, concludes that school is the single best avenue for moving Americans out of poverty and offers several recommendations for upgrading schools that serve mostly low-income students.

(Helen Thomas, UPI)

Bennett: Schools Education Combats Poverty

A first-rate education is a potent weapon against poverty, Education Secretary William Bennett told President Reagan today as he delivered the third booklet in the Education Department's "what works" series.

"We now know what works in educating disadvantaged children," said Bennett, who gave Reagan the handbook during a White House ceremony, "and it's time to get at it."

The 80-page handbook, "Schools that Work, Educating Disadvantaged Children," said "schools in low-income areas face a difficult challenge" because of high crime rates, drug abuse and parents with limited educational backgrounds. But it concludes that "good schools make a difference" in overcoming even the most severe effects of poverty.

(Tamara Henry, UPI)

SENATE OVERWHELMINGLY CONFIRMS WEBSTER AS NEW CIA DIRECTOR

The Senate overwhelmingly confirmed the nomination of FBI Director William Webster as director of the CIA.

The Senate approved the Webster nomination 94 to 1, with Sen. Harry Reid dissenting because of what he said were lingering questions about FBI conduct during a series of criminal investigations in his home state.

(Tom Kenworthy, Washington Post, A3)

ADMINISTRATION, LAWMAKERS SPAR OVER 'DOUBLE DIPPING' OF FARM SUBSIDIES

Although Congress has paid only moderate attention, the Reagan Administration's message (on farm subsidies) generally has been consistent: Federal subsidies to farmers tend to encourage overproduction and cost the government additional millions to acquire and store the surpluses.

Richard Goldberg, a deputy undersecretary of agriculture recently went to Congress to talk about subsidies, but this time the message was different. The Administration opposed a bill that would curtail the double subsidy some western farmers received from growing surplus crops with federal irrigation water.

The bill introduced by Rep. Samuel Gejdenson would require farmers who receive new or expanded irrigation benefits to pay the full cost of any water they use to grow surplus crops that are eligible for subsidy payments.

(Ward Sinclair, Washington Post, A6)

LAWMAKERS CRITICIZE CLOSING OF GENERAL DYNAMICS PROBE

Members of Congress sharply criticized the Justice Department for closing a three-year investigation of General Dynamics Corp.'s submarine contracts without bringing charges.

Sen. William Proxmire said the decision "shows the Justice Department is not serious about defense fraud." He called the department's reasoning "baffling and disappointing."

(Howard Kurtz, Washington Post, A5)

NETWORK NEWS SUMMARY

(Tuesday Evening, May 19, 1987)

ATTACK ON USS STARK

NBC's Tom Brokaw: There are at least 37 sailors dead tonight as a result of that Iraqi attack on the USS Stark and two crewmen still are missing. Also missing tonight -- answers to some key questions. The Stark did not know it had been fired on, why?

NBC's Rick Davis from Bahrain: The USS Stark, her flag at half mast in honor of the men who died aboard her. The commander on the task force in the Gulf says the gaping hole in the port side was caused by two missiles fired by an Iraqi fighter. Today the warship is a powerless hull, towed by a U.S. Navy destroyer. A Navy board of inquiry will try to determine what happened in the final minutes before the missiles hit and why action was not taken to stop the attack. But the commander of the task force in the Gulf said the Stark did not know missiles had been fired.

(Rear Admiral Harold Bernsen: "The ship did recognize that the aircraft's radar had locked on. I think it broke lock, locked on again. I'm not positive of all of the details, there is a little bit of conflict there. But at no time was there any indication that a missile had locked on the ship. That's of interest.")

The Admiral also said Iraq had not been considered a hostile country to the U.S., even though Iraqi missiles had hit 90 targets in the past nine months.

(Bernsen: "But none, absolutely none, have been directed against ships of Middle East force, or for that matter, any U.S. flag ship of any kind -- merchant or warship -- and I think if you keep that in perspective, the fact that an Iraqi aircraft was approaching the Stark would not in itself be considered necessarily unusual or threatening.")

The Admiral says the Iraqi pilot was warned twice he was approaching a U.S. Navy ship.

(Bernsen: "I would suspect that if a guy was capable, that he probably would know whether or not that was the United States warship, but I can't be sure of that. I'm not an Iraqi pilot.")

But today in Baghdad, Iraq's foreign minister denied there had been a warning.

(Tario Aziz: "I had to check with the commander of the Air Force. He assured that the pilot did not receive any kind of warning.")

The USS Stark, under tow, is nearing Bahrain tonight. The task force command ship pulled away from her this afternoon, carrying the bodies of the sailors. Tomorrow there will be a memorial service in Bahrain for the men who died aboard the Stark.

NBC's Fred Francis at the Pentagon: The Navy does not know why the USS Stark did not pick up those two missiles on the ship's radar. Navy officials say that an Exocet would have been picked up because it is radar guided.... Linda Hensley says she got a letter from her husband, combat specialist Jimmy Hensley, saying the Stark had major problems.

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Francis continues:

(Linda Hensley: "They've had major breakdowns in their engine rooms and they would only go three knots an hour and that the ship needed an overhall. And that's the only, you know, major things that he's told me -- that they could not run, but they could still fight.")

Under what is now called the more serious rules of engagement, U.S. commanders in the Gulf have orders from Washington not to let suspicious planes get close enough to launch any missiles.

(Lt. Gen. Richard Burpee: "What we're saying to them now is heighten your awareness -- if you see an aircraft coming down and, in this case, were he turned toward them, he can now say we'll take him out and ask questions later.")...

(Senator Howard Baker: "If we see aircraft in an attack mode, long before they reach us or before they are in a position to shoot at the belligerents, meaning Iran and Iraq, should be on notice that we are going to shoot them down.")

The U.S. this month will begin protecting Kuwait oil tankers flying the American flag and many naval officers believe more U.S. warships and aircraft will be needed to enforce the shoot-first rules. Pentagon officials say that by next week, U.S. warplanes...will be flying over the Persian Gulf to back up the ships of the naval task force.

NBC's Chris Wallace: Addressing high school students in Tennessee, the President emphasized the U.S. will not be driven from the Persian Gulf.

(TV coverage: The President walking across the stage and to the podium at the Tennessee high school.)

Mr. Reagan said this country has vital interest in the region and in the wake of the Iraqi attack will be more aggressive.

(The President: "From now on, if aircraft approach any of our ships in a way that appears hostile, there is one order of battle -- defend yourselves, defend American lives.")

But in an interview with local reporters, the President had to deal with a complex situation. He was understanding towards the country which hit the U.S. ship, saying, "I've had a very fullsome apology from the President of Iraq." He was much tougher towards the country not involved, saying, "The villain in this piece really is Iran and so they are delighted with what has just happened." And accepting the idea that this was just an accident, the President and his men saw no need to build up U.S. forces in the Gulf. But the renewed commitment of American ships into the region cause great concern in Congress, where some question whether the Administration has fully thought out what it is doing there.

(Rep. James Traficant: "But all the money in the world isn't going to provide for a defense without a sound rational policy and I'm asking, 'Where is ours?'")

(Sen. Bob Dole: "We need to rethink exactly what it is we're doing in the Persian Gulf. What are our goals? What is our strategy? What are the risks and how much cost are we willing to pay?")

One reason for these doubts -- the U.S. now get less than 10 percent of its oil from the Gulf, while Europe and Japan get more than half of their oil from the area -- which led to sharp questions for Defense Secretary Weinberger.

Wallace continues:

(Sen. James Sasser: "Why is American treasure and U.S. blood being spent to safeguard these oil lifelines to Japan and to Europe? Where are their naval vessels?"

Secretary Weinberger: "It is essential that if we're going to exist in the world and keep our freedom, that our people will have to go in harm's way from time to time.")

Later, a State Department official informed Congress the Administration will go ahead with plans to put Kuwaiti tankers under the U.S. flag giving them full protection against attacks from Iran.

(Richard Murphy, Assistant Secretary of State: "We believe that our naval presence, which has been in the Gulf for over 40 years, will continue to have this deterrent effect.")

The White House clearly sees this in terms of what a great power must do to maintain its place in the world, but some in Congress remember when Mr. Reagan sent troops into Lebanon four years ago to make a diplomatic point and later had to pull those troops out under fire. (NBC-Lead)

ABC's Peter Jennings: We learn today that 37, not 28, Americans have died in the attack on the USS Stark in the Persian Gulf. And from the Navy late today these pictures taken yesterday of the Stark shortly after she was attacked. As you can see, she is listing about 10 degrees in the water -- the result of the damage done by the Exocet missile fired by an Iraqi jet in the darkness the night before. There you get some sense of how much damage an Exocet, a French-built missile traveling at just under the speed of sound, can do as it swoops across just above the ocean and into the side of a ship which did not, on this occasion, defend itself. And there the interior of the Stark as recorded by the Navy and in some cases the rescue workers...seeing what they can do. Enormous damage was done inside when the missile exploded inside the ship's quarters. On some occasions, ships have sunk without the missile even exploding. The ship took on water and as you can see, some of the dead being removed and taken to shore. They went in some cases towards the United States today. And on deck the men who man the Stark on her mission in the Persian Gulf, expressing how much of the country feels today as this attack by an Iraqi jet after dark at night -- a ship not able to defend itself, or at least choosing not to defend itself. We still do not know why. The Stark limped into port today at Bahrain.

ABC's David Ensor reports from the Persian Gulf on the damage to the Stark and on the statement by the task force in the Gulf.

ABC's Bob Zelnick reports from the Pentagon in the military situation in the Persian Gulf.

ABC's Sam Donaldson: President Reagan today blamed Iran for the conditions that made possible the attack on the Stark, an attack Mr. Reagan told high school graduates in Chattanooga, Tennessee, must never be repeated.

(The President: "This tragedy must never be repeated. From now on if aircraft approach any of our ships in a way that appears hostile, there is one order of battle -- defend yourselves, defend America lives.")

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Donaldson continues:

In an interview with print reporters, the President said, "The villain in this piece really is Iran. They're delighted with what has just happened." It was Iraq that started the war and is...Iranian shipping. But the President's reasoning in blaming Iran is that Iran threatened to close the Gulf and that is why U.S. ships are there -- to keep it open. The President said he still doesn't know why the Stark didn't defend itself. On Capitol Hill, there were suggestions that the U.S. position in the Gulf be reexamined.

(Sen. Bob Dole: "And we need to rethink exactly what it is we're doing in the Persian Gulf. What are our goals? What is our strategy? What are the risks and how much cost are we willing to pay?")

The President today ordered the flag to fly at half-staff in memory of the casualties. And he himself planned to attend the memorial service at week's end. The President's attempt to blame Iran for the tragedy is understandable, but in light of his own sale of arms to Iran, somewhat improbable. In fact two of his aides said today they don't believe the American people will buy it.

ABC's Richard Trekel reports on the political/military status of the Middle East. (ABC-Lead)

CBS's Bob Schieffer: The Stark was being towed into Bahrain in the Persian Gulf today and a naval board of inquiry was on its way to find out what happened and why the ship did not defend itself. More than two days after the attack the answers are still unclear, but the damage is clear.

CBS's Alan Pizzey reports from the Gulf on the damage to the USS Stark and the task force's report.

CBS's Bill Plante: Making an emotional pledge that the tragedy of the Stark will not be repeated in the Persian Gulf, President Reagan promised U.S. ships would protect themselves.

(The President: "From now on, if aircraft approach any of our ships in a way that appears hostile there is one order of battle -- defend yourselves, defend American lives.")

(TV coverage: The President on stage speaking to the Tennessee high school graduates.)

Mr. Reagan told a high school commencement audience in Tennessee he has ordered the nation's flag lowered to half-mast in mourning for those who died in the attack.

(The President: "In life, they were our sons and brothers, our buddies and loved ones. In death they are our heroes.")

In an interview with newspapers reports, the President suggested, "The villain in this piece really is Iran. They are delighted with what has just happened." Keeping the Gulf open, said Mr. Reagan, "Is important to us from our continued need to import oil and to our western allies." But some in the Senate pointed out that the U.S. gets only a tiny fraction of its oil through the Persian Gulf and questioned U.S. policy in the area.

(Sen. Sasser: "Why is American treasure and U.S. blood being spent to safeguard these oil lifelines to Japan and to Europe? Where are their naval vessels?")

Administration officials counter that U.S. interests go beyond just oil.

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Plante continues:

(Richard Murphy: "We attach great importance to freedom of navigation in the Gulf, indeed throughout the world.")

Ironically though it was Iraq which fired the deadly missiles, Mr. Reagan could not resist blaming Iran, a nation with which he has a long history of bad feeling and ill will. The President is expected to travel to a memorial service for the victims of the Stark tragedy later this week.

CBS's Peter Vasant reports from Mayport, Florida, on the families of the USS Stark's sailors.

CBS's David Martin attempted to respond to questions posed by CBS's Schieffer: why did the death toll jump overnight from 28 to 37; did the Stark have enough weapons to defend herself; what will happen now to the captain of the Stark; what are the chances we will see more incidents like this? (CBS-Lead)

REACTION FROM IRAN

Brokaw: Iran's parliament speaker Rafsanjani said today that "God's hand was behind the attack on the UUS Stark." He compared it to the loss of eight U.S. servicemen in that ill-fated attempt to rescue American hostages in Iran in 1980. (NBC-10)

COMMENTARY ON U.S. POLICY IN THE GULF

NBC's John Chancellor: It's too early to get all the answers about what happened to the USS Stark, but it's not too early to pose the questions. One of the main questions -- does the U.S. Navy have enough ships in the Persian Gulf to do its job there? The Administration says American interest include the threat to commercial shipping and the free flow of oil out of the Gulf -- big interests -- and both are endangered by the Iran/Iraq war. The Persian Gulf is a war zone whether or not it is called that. Since 1984, 230 ships have been attacked by either Iraq or Iran. This year the attack have come on the average every three and half days. It's big -- 475 miles long and the most dangerous body of water in the world today. In it, the U.S. Navy had seven ships on patrol -- seven smallest ships without adequate air cover. Now it has six. The question is inescapable -- was the force strong enough? Was the policy thought through? What happened to the USS Stark brings to mind the massacre of the Marines in Beirut when 241 men died. Their mission hadn't been thought through. They were pathetically vulnerable to attack. In Beirut the Marine guards were ordered for policy reasons not to load their guns. Was the disaster of the Stark caused by a policy that wasn't thought through? Too few ships? Too big a job? When a country sends its military or naval forces into a dangerous area, it has to think about the unthinkable, about the worst thing which might happen. American policy in Beirut didn't do that. Was there a comparable failure of policy -- of thinking -- about the U.S. Navy in the Gulf? That's the question which needs the answered. (NBC-11)

IRAN-CONTRA HEARING

Brokaw: He called himself a foot soldier in the private effort to fund the Nicaraguan contras and this young man, Robert Owen, told Congress an intriguing tale of how that effort worked -- complete with cash payments, secret code names, and courier flights with envelopes of money.

NBC's John Dancy: Robert Owen described himself as Oliver North's man and a secret agent for North. He's a Stanford University graduate and a self described idealist who says he is willing to go to jail for anything he may have done to help the contra cause. Owen told today of making a trip to New York once for North to pick up cash at a Chinese market. He identified himself to a man there by a code name.

(Owen: "He walked behind the counter. I believe he rolled up his pant leg and pulled out a wad of \$100 bills.")

Neil Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me and asked me if I wanted to count it. I did know how much I was suppose to be getting, but I decided I'd better count it anyways."

Eggleston: "And how many \$100 bills did he give you?"

Owen: "There were 95 -- it was \$9,500.")

The operation regularly used codes and nicknames. Owen addressed one memo to "B.G."

(Eggleston: "What does B.G. stand for?"

Owen: "I was afraid you were going to ask me -- it was a nickname we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Owen conceded he and North walked what he called a fine line with regard to the law forbidding government aid to the contras. And North was aware of it.

(Owen: "He said on several occasions that he would always be the fall guy if this story ever broke.")

Owen said he did not believe President Reagan would condone the breaking of laws but he believed he and North were acting with authority probably from the CIA.

(Owen: "My personal view -- I don't know whether you want that or not -- would be that Director Casey probably knew everything that Col. North was doing and was fully aware of it and there have been others as well. There were times when I would be in Col. North's office and he would have phone conversations with the director. There was one time when I was coming out and the director was going in or vice versa.")

Rep. Lee Hamilton: "And so your impression was that Col. North kept in very close touch with Director Casey on a regular basis, is that it?"

Owen: "Yes, sir.")

So in two days of testimony, Owen has given us a picture of a contra war being run by Oliver North out of the White House with North dispensing thousands of dollars from a White House safe -- a war being run with the frequent help of the CIA in the form of maps, transportation and communication -- all of this at a time when such help was forbidden by Congress.

(NBC-2)

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Jennings: The Iran-contra hearings resumed today on Capitol Hill. The witness was one of the nuts-and-bolts players in the cloak-and-dagger operation to fund the contras.

ABC's Brit Hume: Once again today there was testimony from Robert Owen, the self described foot soldier for the contra cause who acted as Oliver North's courier while also working for the contras themselves and, for a time, for the State Department, distributing U.S. humanitarian aid. Owen told of trips to New York on bank holidays to fetch emergency money for the contras, of finding himself in a Chinese market on New York's lower west side saying he was sent by a man, as he put it, something like "Mooie."

(Eggleston: "Did that person then give you anything?"

Owen: "Yes he did. He walked behind the counter, I believed he rolled up his pant leg and pulled out a wad of \$100 bills...I know he pulled out a wad of \$100 bills."

Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me and asked if I wanted to count it. I did not know how much I was suppose to be getting, but I decided I'd better count it anyways."

Eggleston: "And how many \$100 bills did he give you?"

Owen: "There were 95 -- it was \$9,500."

Owen said he brought the money back to Washington and gave it, packed in a newspaper, to Gen. Richard Secord in a downtown hotel. Secord was running the contra supply network. And he told of memos to Oliver North at the White House and of one in particular.

(Eggleston: "And actually, at the beginning is says, 'To: B.G.,' what does B.G. stand for?"

Owen: "I was afraid you were going to ask me. It was a nickname we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Owen said he and North joked at times they might wind up behind bars.

(Owen: "The feeling was that should our efforts be found out, there would be people who would want to find something illegal about it, probably try to throw us in jail.")

But he said North assured him what North would do if the worst happened.

(Owen: "Often times when information came out, he and I would talk and he said on several occasions he would always be the fall guy if this story every broke.")

Owen said North told him he was acting on higher authority. And Owen speculated it came from CIA Director Casey.

(Rep. Lee Hamilton: "Why did you think that?"

Owen: "There are a couple reasons. There were times when I'd be in Col. North's office and he would have phone conversations with the director. There was one time when I was coming out and the director was going in or vice versa; so I think that through those few times and through some of the things Col. North said, including the fact that he would be the fall guy and that Bill Casey agrees with that, that that was my assumption.")

At the end, Owen read a poem, an ode of sorts to Oliver North.

(Owen: "You are giving our children a chance to live as free individuals, and for these things we say thank you Ollie North. And I can only add that I love Ollie North like a brother.")

Hume continues: There will be much more about North and the late William Casey. Some committee Republicans are convinced Casey was the prime mover behind the contras supply network and that the last thing he would have done is tell the President about it. Now, of course, he can't tell the committee either. (ABC-2)

CBS's Phil Jones: Robert Owen...today vigorously denied breaking any laws but told of conversations with North about going to jail.

(Owen: "There were a couple of occasions that we would laugh about it and joke, yes.... He said on several occasions that he would also be the fall guy if the story every broke.")

There were numerous copies of memo written by Owen...

(Eggleston: "What does B.G. stand for?")

Owen: "I was afraid you were going to ask me -- it was a nickname that we gave Col. North."

Eggleston: "And what did the B.G. stand for?"

Owen: "Blood and guts." Laughter.)

Several times today, Owen testified about CIA involvement in trying to deliver intelligence, weapons and supplies to the contras when U.S. law explicitly prohibited the agency's involvement. And Owen said he thought former CIA Director William Casey knew everything North was doing.

(Owen: "When I was talking with Col. North and he said that when the decision was made or when it was known that the contras were not going to have any more funds, the director approached him and asked him who the best person would be to go down there and at least try to help them through this process.")

Owen, who testified with limited immunity, told about cash running missions at Col. North's request, including one trip to see a man at a New York Chinese market.

(Owen: "Yes he did. He walked behind the counter, I believe he rolled up his pant leg and pulled out a wad of \$100 bills...I know he pulled out a wad of \$100 bills.")

Eggleston: "Did he give a part of this wad to you?"

Owen: "He gave the whole wad to me.")

Owen also said he had received \$1,000 in travelers checks from North on his wedding day in 1985. At the end of two days of testimony, "the courier," as he was called by North, insisted on reading a poem.

(Owen: "Yet in our darkest hours, we have three things that help sustain us -- our faith in God almighty, the love and support of our families, the knowledge that on this troubled earth there still walk men like Ollie North.") (CBS-3)

WILLIAM WEBSTER CONFIRMED

Brokaw: The U.S. Senate this evening voted overwhelmingly to confirm FBI chief William Webster as the new director of the CIA.

(NBC-3, ABC-3, CBS-2)

GENERAL DYNAMICS INVESTIGATION

Brokaw: For three years now the Justice Department has been

investigating General Dynamics -- for allegations that the big defense contractor lied about delivery dates and cost overruns when it build (Navy) submarines. The Justice Department ended it's investigation, saying it can't prove the charges. (NBC-4, ABC-6, CBS-7)

-End of B-Section-

EDITORIALS/COLUMNISTS

ATTACK ON USS STARK

Hit In The Gulf -- "Neither country [the U.S. and Iraq] wanted this terrible incident to get in the way of the business they are doing together.... The incident should make the U.S. think much harder about ways to diminish the hazards of duty in and about a Third World war zone.... The strategic situation in the Gulf is what counts now.... For the first time, the U.S. has found an acceptable way to put military power behind its long-stated goals of a cease-fire which would leave Iran in occupation of a slice of Iraq, and then a negotiation that would respect the territorial integrity and sovereignty of both sides. The Kremlin reinforces this plan, and the other Arabs and almost everyone else nervously support it. The risks, including not just accidental attack by Iraq but deliberate attack by Iran, are evident. But the goal is the right one."
(Washington Post, 5/19)

The Attack On The Stark -- "Iraq's blundering attack on the frigate Stark should not change America's aim or means in the Persian Gulf. A military presence is needed to reassure the Gulf states against encroachment by Iran.... But the death of 28 sailors and the crippling of their vessel by a single Exocet missile weighs heavily.... Until America weans itself from Persian Gulf oil, the stakes are too high to do nothing. All the more reason for the Navy to learn why the Stark wasn't better able to defend itself, and for the Reagan Administration to press Iraq hard for an accounting."
(New York Times, 5/19)

The Attack On The Stark: Accidental Or Inevitable -- "U.S. policy planners...must weigh the arguments in favor of a U.S. Naval presence [in the Gulf] against the dangers involved.... For the moment it appears unlikely that diplomacy without a military component can suppress the tanker war. To achieve that goal, U.S. warships probably would have to remain in the gulf. But in making that commitment, the government and the nation must remember the Stark -- and realize that more ships and sailors may be lost."
(Philadelphia Inquirer, 5/19)

Tragedy In The Persian Gulf -- "Iraq owes the U.S. a speedy and complete explanation of the deadly missile attack Sunday on the American frigate Stark. And the U.S. Navy owes the survivors of the dead crewmen, and the American people, an explanation of why the Stark apparently made no move to defend itself.... At this point, there are many more questions about the Stark affair than answers. But it does seem that if the U.S. is to be an effective peacekeeper in the Middle East, it must first make certain it defends its own forces adequately."
(Los Angeles Times, 5/19)

Blood In The Gulf -- "The easy response to the Iraqi attack on the USS Stark, and the death of over two dozen American seamen, is to call for a retaliatory blood-letting. But retaliation would be neither just nor expedient, judging from what is known.... A U.S. exit from the Gulf now would not only leave American merchant ships naked to...combatants but would be an invitation to more jolly tarskis from Moscow."
(Washington Times, 5/19)

ATTACK ON USS STARK continued

Questions About The Stark -- Sunday's attack, unprovoked and without warning, must be thoroughly investigated.... President Reagan is right to demand a full explanation from the Iraqi government. He has maintained a careful balance in his remarks about the incident and the war which caused it. He and his military advisors owe the American people some answers as well, however.... In war, accidents sometimes happen. Ways must be found to minimize the terrible cost such accidents can bring."

(Baltimore Sun, 5/19)

Shot In The Gulf -- "The complete story isn't out yet -- but bring it on, full and fast. Initial reaction seems to be that by its attack on the USS Stark Iraq has proved itself either duplicitous or dumb. Neither is encouraging.... Raising the American profile anywhere puts America at risk, and nowhere more than in the Middle East must they be ever alert for both error and terror. This incident raises a specific specter of another peacekeeping mission to protect innocents from combatants, that one in Beirut, where a Marine contingent was not so prepared or protected as it should have been."

(Richmond Times Dispatch, 5/19)

A War Zone By Any Measure -- "The Iraqi attack on the Stark was said to be inadvertent -- a case of mistaken identity. But it would not be surprising if it were a deliberate act, staged to call attention to the need to end the war.... If the Persian Gulf remains a war zone, the United States and Soviet Union will become involved more directly than they are now, and at an incalculably high cost."

(Hartford Courant, 5/19)

In Harm's Way -- "The unwarranted attack on the USS Stark in the Persian Gulf on Sunday has generated calls for increasing the U.S. presence in the Gulf, and also for full withdrawal. This is to be expected in a country that engages in a nonstop, free-wheeling debate on defense issues. The most serious question about the Stark incident, however, is how a U.S. naval vessel could be so vulnerable to attack.... The U.S. Navy has been rebuilt during the Reagan Administration to make it once again a formidable force for keeping the sea lanes open. There are few more important goals in U.S. foreign policy. Ours is a Navy specifically designed to sail into 'harm's way.' If it cannot or will not accomplish its mission, some very tough questions need to be asked."

(Detroit News, 5/19)

Harm's Way In The Persian Gulf -- "The deadly attack on a U.S. frigate in the Persian Gulf leaves both Iraq, whose aircraft apparently launched the missiles strike, and the United States with a lot to answer for.... The United States has shown considerable forbearance since the Sunday afternoon attack on the USS Stark. That is appropriate because everyone involved needs time to sort out exactly what happened and why. The U.S. does not want to help Iran, which is gloating over the incident, by launching reprisals against Iraq. But already President Reagan has made it clear that he sees this incident as evidence that it is in the U.S. interest for the war to come to an end. And unless a lot of answers are forthcoming, the pressure to do something to strike back will mount."

(Chicago Tribune, 5/19)

FOREIGN MEDIA REACTION

ATTACK ON USS STARK

"It has been arguable for some time that it served international interests to allow the two big Gulf powers to fight each other to a standstill. But this argument is wearing thin. Iran looks the more capable of winning; and the great powers have proved incapable of protecting some of the world's most essential shipping.... The attack on the Stark means that those powers should act to bring the Gulf war to an end."
(Times, Britain)

"Doubts in the Gulf about what to make of American foreign policy will have been augmented by the successful but mistaken Iraqi Exocet attack.... This embarrassment comes at a time of increasing competition between the superpowers for the attention of the Gulf states.... The failure, largely by default, of the Reagan initiative on a Palestinian homeland, and the deep humiliation of spelling out one policy toward Iran and carrying out another, have imposed handicaps on the State Department which it may take years to remove. At present there is no reason why the two superpowers should not work in harmony in the Gulf.... The close cultivation of the Gulf by the State Department, kept in the dark by Irangate, is beginning to yield a slightly bitter crop."
(Guardian, Britain)

"Never has the risk of internationalization on the conflict been so great. With the attack against the U.S. frigate Stark and the two Soviet ships recently, the two superpowers are now physically involved in the Gulf War.... Giving up reservations, Washington and Moscow are taking risks in order to defend the freedom of movement in the Gulf waters."
(Figaro France)

"The Iraqis are supposed to fight against Khomeini's troops, not against the United States. The confusion is all the more striking and embarrassing since the Reagan Administration cannot do anything to obtain redress.... The attack was an error, and even looking at the event with seriousness the United States can do nothing but protest officially. U.S. public opinion is realizing that a war is taking place on the 'oil-way' and the United States is bearing the brunt of the Iran-Iraq war."
(Quotidien, France)

"An incident in the Gulf was only to be expected. The Pentagon deliberately ran a risk when it deployed a good dozen warships in the operational area between Iraq and Iran in order to protect Western oil supplies.... The incident again highlights the problems associated with supplying modern weapon systems to inexperienced and only moderately well-trained armed forces."
(Die Welt, West Germany)

"The recent attacks (including those on Soviet ships) show that the center of the war...has moved to the strait. It is the battle for oil that is escalating -- first and foremost the battle for the export of Black Gold.... Secretary Shultz called the situation if the Gulf 'very serious.' U.S. reports that Tehran is planning to attack Kuwait have certainly contributed to this. Regardless of the rumors -- more and more radical tones are being heard in Tehran."
(Frankfurter Allgemeine, West Germany)

-more-

ATTACK ON USS STARK continued

"If the two superpowers really were to act in concert, Tehran would rapidly regain its sense of reality. However, Washington and Moscow remain rivals, and they pursue quite different goals in the Middle East."

(Sueddeutsche Zeitung, West Germany)

"The danger now is that the political impotence of the two superpowers...may result in a risky and uncoordinated military display.... A U.S.-USSR agreement on such a serious regional crisis would indeed represent a real signal of a new course in East-West relations, much more than an agreement on nuclear weapons."

(La Stampa, Italy)

"The physical damage is already serious, the political damage could become very serious if the U.S. public and Congress urge the White House to 'disengage,' thus leaving to the Kremlin the monopoly on the 'protection' of Western interests.... The Persian Gulf...resembles more and more the Lebanon of a few years ago, and Americans have already paid a similar price in blood.... Let's try to imagine what could happen the next time the oil price goes up if the problem is not dealt with in time."

(Il Giornale, Italy)

"Ronald Reagan, already weakened by Irangate, will not be able to pretend nothing has happened..... Reagan will have to indicate how he intends to avoid other 'accidents' in the future. Most of all, however, he will have to explain why U.S. Marines and ships must continue to run this kind of risk without even being able to react."

(Il Sole-24 Ore, Italy)

"The U.S. can't play the role of international policeman without paying the price.... When Americans are killed, that is another matter; it may prompt the big powers to intervene more energetically to restore peace between Iran and Iraq, especially coming on top of recent attacks on two Soviet ships."

(Le Matin, Switzerland)

"It seems likely that the government will be content with (Iraqi apologies). For despite President Reagan's fierce words, one realizes only too well here that the U.S. must keep Iraq as a friend if it is still to exert any influence in the Persian Gulf."

(BRT Radio, Belgium)

"U.S. permanent naval 'patrolling' in the Gulf has assumed an evermore menacing nature, fraught with the threat of a future and extremely dangerous flare-up of tension throughout the region and even perhaps of the conflict spreading elsewhere."

(TASS, Soviet Union)

"Now, with the two superpowers directly tasting some of the Gulf war dangers, we believe this should be sufficient for them to take, through the UN Security Council, action to impose peace or at least to confront the party which is rejecting peace and force it to accept a ceasefire."

(Akhbar al-Khaleej, Bahrain)

"The attack on the USS Stark...demonstrates clearly the urgent need for new diplomatic solutions...to bring seven years of bitter conflict to an end. The U.S. and the Soviet Union for once have a common goal: freedom of navigation in the Gulf for the sake of regional and world security."

(Gulf Daily News, Bahrain)