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News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, JULY 3, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

NATIONAL NEWS

President To Outline 'Economic Bill Of Rights' -- President Reagan is unveiling an "Economic Bill of Rights" he hopes will light a fire under congressional budget-makers and put some bang in his campaign against tax hikes.

(Baltimore Sun, Los Angeles Times, New York Times, Washington Post, Washington Times, AP, Reuter, UPI)

Ideology As Court Issue; Political Consequences Are Uncertain -- In choosing ideology as the battlefield for the confirmation of Robert Bork, Senate Democrats have expanded a highly charged contest over the direction of the Supreme Court into a fight with high stakes for the party.

(Los Angeles Times, New York Times, Washington Post, Washington Times, Scripps Howard)

INTERNATIONAL NEWS

Soviet Proposes Talks In Gulf War But Iran Is Reported To Reject Call -- The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year-old war, but Iranian officials have rejected the idea, Administration and Western diplomats said.

(New York Times, Washington Times, AP)

NETWORK NEWS (Thursday Evening)

SUPREME COURT -- The fight to get Robert Bork confirmed may be more difficult than the White House had calculated.

LAROCHE -- Lyndon LaRouche has been indicted on charges of conspiracy to obstruct justice.

EMBASSY SECURITY -- The Pentagon will bring charges against yet another Marine in the sex and spy scandal.

Words on Pieces Of Paper

Picture Shallus doing the words, "engrossing" the Constitution, as the process was called, copying it out at an elegant angle in large, legible script. The four sheets of parchment were vellum, the skin of a lamb or a calf, stretched, scraped and dried. The ink, a blend of oak galls and dyes. The light, an oil lamp. The instrument, a feather quill. All nature contributing to the assignment, human nature in the form of Jacob Shallus, ordinary American citizen, son of a German immigrant to Philadelphia, soldier, patriot, father of eight and, at the time of the Constitutional Convention, assistant clerk to the Pennsylvania General Assembly. The convention handed Shallus the documents for copying on Sept. 15, 1787. He had 40 hours to transfer to four sheets of parchment 4,440 words, for which the payment was \$30, good money for moonlighting.

TIME, JULY 6, 1987

NATIONAL NEWS

REAGAN SPEAKING TODAY ON ECONOMY 'Financial-Impact Statements' Sought For New Legislation

President Reagan plans to use the Jefferson Memorial as a backdrop for a speech on an "Economic Bill of Rights" that, among other things, would require proposed bills to be accompanied by "financial-impact statements."

White House officials briefed reporters in three waves yesterday, trying to build interest in an economic package that includes such familiar Reagan advocacies as a constitutional amendment requiring a balanced budget and allowing presidential vetoes of individual spending items.

A senior official who insisted on anonymity said one feature of the package is a proposal requiring a "super-majority" congressional vote for any tax increase -- either three-fifths or two-thirds.

The official said Reagan's message will be less partisan in tone than recent speeches on the subject and is "not designed to take on Congress."

(Lou Cannon, Washington Post, A5)

President To Outline 'Economic Bill Of Rights'

President Reagan is unveiling an "Economic Bill of Rights" he hopes will light a fire under congressional budget-makers and put some bang in his campaign against tax hikes.

Among the tenets of Reagan's Independence Day proclamation, [a White House] official said, are:

- The right to earn a living free of overly burdensome taxation.
- The right to be spared overregulation by the government.
- A "truth-in-spending" plan requiring Congress, as well as the executive branch, to say how much a program will cost and how it will be financed.
- A "super majority" vote -- either of three-fifths or two-thirds -- would be required in Congress for passage of tax increases.
- Stepping up efforts to turn over to private business some programs operated by the federal government.

(Merrill Hartson, AP)

Reagan Sets Agenda For Tax Curbs

President Reagan, in a speech outlining an "Economic Bill of Rights," will propose a constitutional amendment designed to limit tax increases by requiring that they be imposed only with the approval of an unspecified "super" majority of Congress, a senior White House official said.

The official said Reagan will also propose that legislation authorizing new spending programs be accompanied by a statement explaining where the revenue would come from and how much the program would cost four or more years in the future.

...The "Economic Bill of Rights" speech may provide the President with a potent political weapon to use against Congress in the fight over the federal budget.

(James Gerstenzang, Los Angeles Times, A1)

'Truth In Spending' Plan To Be Urged By Reagan

President Reagan, seeking to revive his effort to reduce the growth in federal spending, will urge Congress to require the preparation of statements assessing the economic impact of any new spending it proposes, White House officials said.

The proposal is part of a presidential initiative that calls for major changes in current federal budget procedures, including the adoption of two-year budgets and a requirement that the President approve the annual budget resolution of Congress.

White House officials said that the core of the proposal will be a "truth in spending" concept that would require the costs of new programs to be assessed in several areas, including the effect on the economy and on taxpayers. The officials said these assessments would be the fiscal equivalent of environmental impact statements.

(Gerald Boyd, New York Times, A8)

Reagan Unveiling 'Economic Bill Of Rights' In Holiday Speech

President Reagan, launching a new phase of his budget battle with Congress, planned to unveil a proposed "Economic Bill of Rights" in an Independence Day speech.

[White House officials] said Reagan would urge that future tax hikes require passage by more than a simple congressional majority -- a plan to make it harder to raise taxes first advocated in 1981 by Sen. William Armstrong, a conservative Colorado Republican.

That proposal would be part of Constitutional amendment requiring a balanced budget that Reagan has long advocated, the officials said.

(Gene Gibbons, Reuter)

Reagan To List Four Fiscal Policy Goals

President Reagan will go to the Jefferson Memorial to deliver his "Economic Bill of Rights" speech in which he will propose a constitutional amendment requiring a "super-majority" in Congress to raise taxes.

The speech will not be confrontational with Congress, a White House official explained. "It is a sort of blueprint that talks about some of the differences between the way the Republicans and Democrats look at the role of the government."

(Jeremiah O'Leary, Washington Times, A4)

Reagan Proclaiming 'Economic Bill Of Rights'

President Reagan, taking advantage of a holiday news lull, decided to proclaim an "Economic Bill of Rights" to pressure Congress into budget reform before both he and the lawmakers go on vacation next month.

The President's repackaging of his time-worn calls for a balanced budget, with a few new twists to put Congress on the defensive, is also an attempt to set an agenda for presidential candidates of both parties in 1988, say White House aides.

(Ira Allen, UPI)

Reagan To Seek Tax Limit In Congress

President Reagan, unveiling a package of new budget and spending proposals today, will call for a constitutional revision that would limit the ability of Congress to raise taxes, White House officials said.

Reagan, in an "Economic Bill of Rights" speech to be delivered from the steps of the Jefferson Memorial, will urge Congress to link a balanced-budget proposal to a provision requiring that any legislation to increase taxes must be passed by a larger-than-usual majority.

Budget experts on Capitol Hill said the President's retooled constitutional balanced-budget proposal has virtually no chance of acceptance by Congress.

Nevertheless the White House, noting that the original Bill of Rights took 2½ years to pass, is plodding ahead with a presidential campaign to overhaul the federal spending process and to pressure Congress to make inroads in substantially lowering the nation's \$173 billion federal budget deficit.
(Julie Johnson, Baltimore Sun, A10)

UNEMPLOYMENT FALLS TO LOWEST LEVEL IN NEARLY EIGHT YEARS

Civilian unemployment in the U.S. has fallen to the lowest level in nearly eight years, dropping to 6.1 percent in June, the Labor Department has reported.

The drop from the 6.3 percent level in May seemed to buttress Reagan administration claims that the economy has not stalled, even after five years of continuous if tepid recovery.

Unemployment has essentially remained steady for the past 13 months and the drop in June seemed to catch some economists off guard. The June figure...was the lowest since December 1979.

(Alver Carlson, Reuter)

BORK'S CRITICISM OF COURT ACTIONS BOLSTERS CRITICS

Judge Robert Bork's criticisms of Supreme Court decisions on a broad range of issues, including affirmative action, voting rights, pornography and racially restrictive housing covenants encouraged liberal critics seeking to broaden opposition to his confirmation.

"This is not just abortion rights," said Nan Aron, director of Alliance for Justice, a liberal lobbying group. She said groups critical of Bork have begun systematically reviewing his writings and statements in hopes of finding new ammunition.

(Ruth Marcus & Al Kamen, Washington Post, A1)

Pro-Abortion Groups Rally Troops For Assault On Bork

Pro-abortion groups, led by Planned Parenthood Federation of America, have mounted a major effort to block Senate confirmation of Judge Robert Bork....

"We urge all Americans to make their views known to their senators and, in particular, to the members of the Senate Judiciary Committee," said Planned Parenthood president Faye Wattleton in a call-to-arms.

(George Archibald, Washington Times, A1)

Is Senate Rejection For Ideology Proper?

The forthcoming battle over the nomination of Robert Bork to the Supreme Court will focus on an issue that has been often debated but never finally resolved: Should the Senate reject a judicial choice solely because of ideology?

The Bork fight -- which already has begun in the Senate although confirmation hearings are not expected to begin until September -- may at last force the current Senate to decide the issue.

Because Bork's vote could reverse the balance of power on the Court on may of the most contentious issue of the day, both the Administration and a host of major Democratic constituency groups opposing Bork plan all-out efforts.

With two Democratic members of the Senate Judiciary Committee -- Joseph Biden and Paul Simon -- running for their party's presidential nomination, the political pressures will be even more intense.

(David Lauter, Los Angeles Times, A1)

Senate Panel Prepares For Hearings On Bork

The Senate Judiciary Committee began preparations for a protracted battle over the nomination of U.S. Appeals Court Judge Robert Bork to the Supreme Court amid clear signs that his potential impact on the court's ideological "balance" will be the focal point of a liberal Democratic assault on the nomination.

Sen. Howard Metzenbaum said he does not question Bork's "professional qualification," but added, "That doesn't mean he's qualified to be the swing vote on the Supreme Court."

With the possible exception of Sen. Arlen Specter, the Judiciary Committee's six Republicans appear all but certain to line up behind the Bork nomination. The committee's eight Democrats are dominated by liberals such as Biden and Sen. Edward Kennedy, making the more conservative Sens. Dennis DeConcini and Howell Heflin the key swing votes.

(Edward Walsh, Washington Post, A4)

Dole Predicts Confirmation For Bork

U.S. Senate Minority Leader Robert Dole said that Robert Bork, President Reagan's controversial Supreme Court nominee, has impeccable conservative credentials and predicted that he will be confirmed with bipartisan support in the Senate.

"I think there will be and should be heavy scrutiny of any Supreme Court nominee," Dole told a press conference at Minneapolis-St. Paul International Airport....

"But I don't believe he should be rejected because of his philosophy," Dole said, adding that he shares Bork's belief in a strict construction of the Constitution, "and I think most Americans do."

He drew laughter and applause from about 100 greeters at the airport when he said: "Just because Ted Kennedy doesn't like the nominee doesn't mean he ought to be rejected. As far as I know, Ted Kennedy didn't get elected president. Ronald Reagan did, and Ronald Reagan makes the appointments."

(Betty Wilson, Scripps Howard)

Baker Sees Tough Fight Over Bork But Says He Didn't Oppose Choice

Officials close to White House Chief of Staff Howard Baker said that he had had some doubts about nominating Robert Bork to the Supreme Court, but Baker himself said it was President Reagan's decision and that he had no objection.

"I'm here for a single purpose -- to make sure the President's staff performs well and supports his wishes," Baker said in an interview today. "His wish was to appoint Bork, and had I had a violent objection to it, I would have told him so."

Still, other White House officials seemed to put some distance between Baker and the decision to nominate Bork, which is creating a major confrontation with Congress.

The chief of staff indicated that he played little role in the actual selection of Judge Bork. "All these folks who claim it was Meese's decision or Baker's decision or somebody else's decision are wrong," Baker said. "It was Ronald Reagan's decision." (New York Times, A9)

Bork May Affect '88 Campaign; Nomination Offers Democrats Chance To Define Party's Values

HOUSTON -- In their first debate, seven Democratic presidential candidates talked about trade, taxes and deficits. But the chances that any one of them will make it to the White house in 1989 could have as

much to do with a question not asked: Should U.S. Appeals Court Judge Robert Bork be confirmed to serve on the Supreme Court?

For the Democrats, the Bork confirmation battle is an opportunity to define the party's core values. Their most prominent interest groups have noisily joined the fray; the candidates aren't far behind. "This is the sort of fight that reduces everything to the bare essentials," said William Carrick, campaign manager for Rep. Richard Gephardt. "This is what being a Democrat is all about. We can't go into the tank on this one."

(News Analysis, Paul Taylor & Dan Balz, Washington Post, A4)

Confirmation Row May Benefit GOP

The partisan battle over appellate Judge Robert Bork's nomination to the Supreme Court could wind up hurting Democrats and helping Republicans in the 1988 election, political observers in both parties said.

[The social issues of affirmative action, abortion, AIDS testing, homosexual rights, school prayer and tuition tax credits], conspicuously avoided by seven of the Democratic presidential hopefuls in a nationally televised debate Wednesday night, are the "Achilles Heel" of the party, a phrase used by Stuart Eizenstat, former President Jimmy Carter's chief domestic adviser and other Democratic analysts.

"The nomination of Bork, whether or not he is confirmed, elevates those issues and makes them more passionate for the electorate," Eizenstat said. "And that is a significant accomplishment for the Reagan Administration."

(Ralph Hallow, Washington Times, A1)

Ideology As Court Issue; Political Consequences Are Uncertain

In choosing ideology as the battlefield for the confirmation of Robert Bork, Senate Democrats have expanded a highly charged contest over the direction of the Supreme Court into a fight with high stakes for the party.

If the premise of the Senate debate is that the addition of Robert Bork to the Supreme Court will profoundly alter the course of constitutional law, then the vote on the nomination inevitably becomes something much more than a vote on Robert Bork. It becomes a referendum on the very issues that make senators most uncomfortable: abortion, affirmative action, questions of church and state, all the legislative genies that the Reagan revolution let out of the bottle in the early 1980s and that the Senate, in the interest of getting on with its work, has more or less managed in the last several years to bottle up once again.

(News Analysis, Linda Greenhouse, New York Times, A1)

PARTNERSHIP OMITTED ON '85 LIST BY MEESE Senator Hits Ethics Unit's 'Casual Approach'

Attorney General Meese failed to list his partnership with a former official of the Wedtech Corp. in a 1985 list of possible subordinates the day after he made the investment, Sen. Carl Levin disclosed.

Levin said he was "very disturbed" by Meese's handling of the matter and by "the casual, almost negligent approach of the Office of Government Ethics" to Meese's lapses.

Justice Department spokesman Patrick Korten denied any lapses on Meese's part. "What Carl Levin is doing is making a very enormous political mountain out of a very small anthill," Korten declared.

(George Lardner & Mary Thornton, Washington Post, A3)

Meese Criticized For Failure To Report Financial Ties

Attorney General Meese faces new criticism from Congress because he neglected, apparently for more than a year, to disclose his financial ties to a businessman now involved in the Wedtech scandal.

Sen. Carl Levin is scheduling a congressional hearing for next Thursday to look into, among other things, a May 24, 1985, memo by Meese on his own finances in which he failed to mention that on the previous day he had invested \$60,000 with W. Franklyn Chinn.

(Pete Yost, AP)

HHS SECRETARY FIRES ABORTION OPPONENT FOR INSUBORDINATION

Jo Ann Gasper, deputy assistant secretary of health and human services for population affairs, was dismissed for insubordination in a dispute over abortion and the \$142.5 million federal family planning program.

Behind her ouster -- which was based on her refusal to renew two grants to Planned Parenthood groups despite direct orders from her superior -- was a dispute over her efforts to tighten antiabortion restrictions to a degree exceeding what HHS officials believed permissible without a change in the law.

(Spencer Rich, Washington Post, A23)

FIVE-YEAR OFFSHORE LEASING PLAN BECOMES FINAL

The Administration's new five-year offshore oil leasing plan, touted as an energy security booster and condemned as an environmental threat, took effect still facing likely challenges in Congress.

A 60-day congressional review period expired quietly, and Interior Secretary Hodel announced the plan was final and in effect.

(Chris Chrystal, UPI)

ADMINISTRATION AFFIRMS SUPPORT FOR GLOBAL CURBS TO PROTECT OZONE

The Reagan Administration, rejecting the controversial suggestion of sunglasses and tanning lotion as protection against ultraviolet radiation, has decided to maintain its call for strong international controls on chlorofluorocarbons to protect the Earth's ozone, officials said.

At an international meeting earlier this week in Brussels, U.S. negotiators reaffirmed support for a tentative agreement among 31 nations to freeze production of chlorofluorocarbons at current levels and cut their use by 20 percent over the next decade, officials said.

(Washington Post, A28)

LAROCHE INDICTED IN CONSPIRACY

Justice Dept. Alleges Va.-Based Extremist Tried To Scuttle Probe

A federal grand jury in Boston has indicted political extremist Lyndon LaRouche on a charge of conspiracy to obstruct justice in the latest round of indictments against his Leesburg [Va.]-based organization.

The indictment...is the first criminal charge ever against LaRouche.

Authorities charged him for what prosecutors have said was his group's "flagrant" defiance of law in trying to scuttle a federal probe of alleged financial frauds by fundraisers for his 1984 presidential campaign.

(John Mintz, Washington Post, A1)

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INTERNATIONAL NEWS

RABIN: SOVIETS OFFER TO HELP SETTLE IRAN-IRAQ WAR

The Soviet Union offered to help settle the Persian Gulf war between Iran and Iraq with a peace conference in Moscow, but Iran refused to participate, Israeli Defense Minister Yitzhak Rabin says.

"The Iranians refused," Rabin said. "Their demand is the head of Saddam Hussein," the Iraqi president. Iraq, meanwhile, realizes it cannot defeat Iran, and would end the 7-year-old conflict under pre-war conditions, Rabin said.

State Department spokeswoman Phyllis Oakley refused to say whether Rabin's report on the Soviet peace offer came as a surprise. Another U.S. official, who demanded anonymity, said, "I've been told there was an offer and that the Russians were also pushing a cease-fire in the (Persian) Gulf." (AP)

Soviet Bid To Host Gulf Peace Talks Disclosed

Israeli Defense Minister Yitzhak Rabin surprised State Department officials by disclosing that Moscow had offered to host a Persian Gulf peace conference to help Iran and Iraq end their almost seven-year war.

"We know nothing about it," said one State Department official.

Rabin said the Iranians rejected the Soviet proposal but gave [Soviet First Deputy Foreign Minister Yuli] Vorontsov the "red-carpet treatment" during his visit to Tehran.

Rabin said the Soviet Union was the only power that could achieve an end to the Gulf War because of its military clout and its ability to talk to both belligerents. The Soviet Union is one of Iraq's main arms suppliers, and Soviet arms reach Iran through some of Moscow's allies such as North Korea.

"Rabin is right," said a State Department official. "We've got to find a way to talk to the Iranians. We fundamentally don't know what to do about Iran; it's a tough problem."

(Martin Sieff & James Dorsey, Washington Times, A8)

Soviet Proposes Talks In Gulf War But Iran Is Reported To Reject Call

The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year-old war, but Iranian officials have rejected the idea, Administration and Western diplomats said.

Nevertheless, the proposal...has caused concern among American officials, who say they fear it could draw attention away from an American-led initiative at the U.N.

These officials also portray the move as part of a larger Soviet strategy to gain favor with Iran and expand influence in the Middle East in an attempt to prove that Moscow can play a role in resolving the Arab-Israeli conflict. (Elaine Sciolino, New York Times, A6)

WALTERS REPORTS PROGRESS IN MOSCOW TALKS ON GULF
Two Powers Back Cease-Fire, May Differ On Sanctions

MOSCOW -- U.S. special envoy Vernon Walters declared success in the first round of his mission to end the seven-year-old Iran-Iraq war, saying that the U.S. "can count on" Moscow's vote for a U.N. resolution demanding a cease-fire.

Following a day of talks with senior Soviet Foreign Ministry officials, Walters said that the Soviet Union and other key U.N. countries have shown "a greater desire to be successful on this particular issue than I have found in any of the previous discussions I have had before."

But Walters, in a press conference at the American Embassy, hinted at disagreements over a second U.S.-backed resolution that would impose mandatory sanctions, including an arms embargo, on whichever country refused to comply with a U.N.-ordered cease-fire.

(Gary Lee, Washington Post, A34)

NO U.S. MINESWEEPING HELICOPTERS TO
PERSIAN GULF WHILE SAUDIS SEEK ARAB AID

The Reagan Administration is postponing plans to dispatch helicopters to Kuwait while Saudi Arabia tries to marshal an Arab flotilla to handle mines apparently laid by Iran in the Persian Gulf, Pentagon sources say.

Those plans were delayed because Saudi Arabia has four U.S.-made minesweepers and is "trying to organize a force from the other Persian Gulf states, rather than introduce a lot more U.S. or Western equipment," on Pentagon source said.

(Bryan Brumley, AP)

SYRIA KEEPS DENOUNCING U.S. DESPITE MOVES TO END STRAINS

BEIRUT -- Syria is keeping up a war of words against the U.S. despite recent moves at ending the strains between the two nations.

Attacks on the Reagan Administration and its policies are made daily by the state-controlled press and Damascus radio, which is clearly heard here. The Syrian press has made no mention of recent conciliatory exchanges between President Hafez al-Assad and President Reagan.

(Ihsan Hijazi, New York Times, A6)

LACK OF PROGRESS AT GENEVA SAID TO PERIL SHEVARDNADZE VISIT

MOSCOW -- A Soviet Foreign Ministry spokesman said lack of progress at the Geneva arms talks jeopardized the planned meeting of Foreign Minister Eduard Shevardnadze and Secretary Shultz, scheduled to take place in Washington this month.

Citing "slow headway" in Geneva arms control talks, Foreign Ministry spokesman Boris Pyadyshev said at a news conference, "If there is no progress at the negotiations, why should the Soviet minister go to Washington?"

(Gary Lee, Washington Post, A34)

Soviet Denies Making Offer On Missiles

MOSCOW -- The Soviet Foreign Ministry denied a report that a Soviet official had informally offered a compromise proposal on the issues holding up an arms-control agreement on medium- and shorter-range missiles.

In denying a dispatch from Washington in The New York Times on Wednesday, the Foreign Ministry accused the U.S. of painting "an unjustifiably radiant picture" of progress in the arms negotiations.

(Bill Keller, New York Times, A3)

CARTER: MISSILES AGREEMENT COULD COME BY 1989

MOSCOW -- Former President Jimmy Carter told reporters that the U.S. and the Soviet Union are capable of achieving an agreement to reduce medium-range missiles before President Reagan leaves office.

A day after holding a 1½-hour meeting with Soviet leader Gorbachev, Carter said, "My own belief is that negotiators are near enough to conclude such a treaty in time for it to be ratified during President Reagan's term in office."

(Washington Post, A34)

SIXTH MARINE CHARGED IN SECRETS-FOR-SEX PROBE

The Marine Corps, which has encountered difficulty in proving charges against members of its U.S. Embassy detachment in Moscow, said another former member of the unit has been charged with copying classified U.S. documents in Switzerland and forwarding them to a private residence in a Chicago suburb.

Sgt. Kenneth Kelliher, 32, of Hinsdale, Ill., became the sixth person charged in a widespread military investigation into allegations that the Moscow guards traded secrets for sex with Soviet women.

Kelliher, accused of copying the documents at the U.S. Embassy in Bern, was also charged with failing to report three contacts with Soviet women while stationed in Moscow from September 1984 until March 1986.

(Bill McAllister, Washington Post, A20)

WHITE HOUSE TO HIRE LOEFFLER AS LOBBYIST FOR AID TO CONTRAS

The Reagan Administration is expected to hire former Rep. Tom Loeffler to lead White House efforts to win from Congress renewed aid for the Nicaraguan resistance, a senior official said.

Loeffler, 40, a four-term Republican from Texas, would coordinate lobbying on a bill President Reagan plans to send to Congress in September that would provide \$120 million to \$140 million in contra aid for fiscal 1988, the official said.

"The vote (on contra aid) will come in late September, and it's going to be tough," the official said. "We're going to be fighting for 30 votes when the time comes. He knows who we've got to work with, and the Administration has to give them some real leadership."

(Jeremiah O'Leary, Washington Times, A3)

JAPAN VOWS NONINTERFERENCE IN U.S. DRIVE TO BAR TOSHIBA

TOKYO -- The Japanese government said it wouldn't interfere with a proposed U.S. import ban on Toshiba Corp. stemming from that company's sale of sensitive technology to the Soviet Union.

Japanese officials also vowed to take steps to prevent any further violations of rules controlling exports to communist countries.

In a regular Foreign Ministry briefing, Yukio Okamoto, director of the National Security Affairs Division, said "there is a very, very strong feeling and recognition" within the Japanese government that "we should never allow these things to happen again." (Washington Post, G3)

SHULTZ, CANADIAN FOREIGN MINISTER CLARK VOICE OPTIMISM FOR CUTTING TARIFFS

DETROIT -- Secretary Shultz and Canadian Foreign Minister Joe Clark voiced optimism for a new pact cutting tariffs between their countries but warned of tough bargaining ahead.

"Success is not assured, but we are optimistic that we will be able to conclude a draft agreement which advances the economic interests of both sides and present it for congressional and parliamentary review in early October," Shultz told the Economic Club of Detroit.

(Sabah Fakhoury, UPI)

RABIN SEEKS CONCESSIONS IF LAVI BOMBER CANCELED

Israeli Defense Minister Yitzhak Rabin has asked for a multi-million package of concessions from the U.S. in exchange for canceling the costly Lavi fighter-bomber, Pentagon officials said.

Secretary Weinberger listened "sympathetically" to Rabin during an hour-long "cordial discussion" at the Pentagon Wednesday and expressed his willingness to help Israel offset losses if the costly Lavi project is canceled, the officials said.

But Weinberger turned down Rabin's request to increase the \$1.8 billion Israel receives annually in U.S. military aid as one means of compensating the Jewish state for giving up the Lavi, officials said.

(Richard Gross, UPI)

PANAMA MINISTER APOLOGIZED FOR ATTACKS ON U.S. MISSIONS

PANAMA CITY, Panama -- Foreign Minister Jorge Abadia Arias promised to pay damages for mob attacks on U.S. diplomatic building here as protest against the military-dominated government continued for the second straight day.

A mob of government supporters attacked U.S. diplomatic buildings here Tuesday including the embassy and consulate, and in a conciliatory statement, Abadia apologized and referred to the U.S. as a friend and "historical partner of Panama."

(Tom Brown, Reuter)

NETWORK NEWS SUMMARY

(Thursday Evening, July 2)

SUPREME COURT

NBC's Tom Brokaw: The fight to get Robert H. Bork confirmed as President Reagan's latest appointment to the Supreme Court may be more difficult than what the White House had calculated. Bork's opponents know that his confirmation could dramatically shift the direction of the Court, so they are digging in.

NBC's Carl Stern: Today in Washington, as partisans on both sides began grinding out letters and literature on whether the Senate should confirm Bork, it became increasingly apparent that it could be a cliffhanger. A conservative strategist acknowledged that it could be so close that the White House won't have the votes to prevent an anti-Bork filibuster.

(Patrick McGuigan: "Well, our enemies in this battle use obstructionist tactics. If they do, there's the chance they'll be able to delay this for awhile.")

...Liberal groups believe Bork can be defeated.

(Nan Aron, Alliance for Justice: "We're hearing from people all over the country. They're shocked, they're outraged and they're ready to be mobilized.")

(John Buchanan, People for the American Way: "We're going to try to get the Senate to stand up for the rights and the liberties of American citizens opposing this nomination.")

Conservatives intend to work just as hard.

(Phyllis Schlafly: "We will tell the Democrats that the American people do not appreciate their playing politics over this nomination.")

(Attorney General Meese: "Judge Bork is certainly eminently qualified and should be confirmed promptly.")

...Consumer activist Ralph Nader, who rarely gets into partisan political debate, today said he's going to work for Bork's defeat and explained why.

(Nader: "Because Mr. Bork has a judicial philosophy that favors big government when it acts against ordinary consumers, taxpayers and citizens.")

As of this afternoon, Senate nose-counters said neither side has enough votes to win, with 1/4 of the senators unsure which way to vote.
(NBC-4)

CBS's Dan Rather: More indications today of just how serious the opposition and how long the debate over Robert Bork will be.... There's increasing talk of a possible filibuster. Bork himself, while in the center of the fray today, tried to stay above it. Asked about criticisms that he would turn back the clock on social and civil rights issues, Bork said only, "I read the papers."
(CBS-5)

-more-

ILLEGAL IMMIGRANTS/BOXCAR DEATHS

Brokaw: The dreams of 18 illegal aliens from Mexico, their dreams of work and a new life in the U.S., came to a gruesome end in a stifling hot boxcar in South Texas. They died in the 120-degree heat, apparently of dehydration.... It was a smuggling operation gone terribly wrong. Border patrol officers said only one man in the boxcar survived.... Apparently the smugglers locked the doors after the men, most of them in their 20s and 30s, were herded into the car late yesterday afternoon near El Paso, Texas. Officials said the boxcar was delayed on a siding by mechanical troubles last night, so if there were a plan for someone to open the car at a destination, the boxcar never arrived....

CBS's Terry Drinkwater reports immigration officials say border arrests are on the rise. They had hoped the new amnesty law would stem the tide. Over the years, many others -- no one knows how many -- have died being smuggled across the vast stretches of hot desert.

(ABC-4 & 11, CBS-Lead, NBC-Lead)

IMMIGRATION LAW

CBS's David Dow reports Mexican farm workers no longer have to prove they qualify for amnesty under the new immigration law before entering the U.S. The new one-stop immigration service is the latest in a series of concessions to Western growers, who helped write the new law but insisted it was being applied too rigidly. The fear: that California's \$14 billion harvest -- the nation's largest -- could go the way of Oregon's, where homeless were drafted to make up for a shortage of migrant workers. In a recent teleconference with California congressmen, some in the farm industry warned that without changes, disaster was imminent. Some, including labor unions, insist the claims were deliberately exaggerated. Immigration officials suggested recently that growers are having a problem getting adjusted to the new law. And in other industries claiming labor shortages, there is a mixture of envy and bitterness at the concessions to agriculture. Having won at politics, the growers must now win the hearts and minds of Mexican workers still confused about the new American law. Though hundreds have flocked to the border seeking amnesty application forms, fewer than 20 have actually filed them.

(CBS-2)

LAROUCHE

ABC's Peter Jennings: We begin this evening with the indictment of the political extremist Lyndon LaRouche.... He has been indicted on charges of conspiracy to obstruct justice.

ABC's Dennis Troute reports the government charges LaRouche and his deputies conspired to destroy records and move witnesses after the government began investigating the LaRouche organization on charges of credit card fraud.

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

EMBASSY SECURITY

Jennings reports the Pentagon announced it is bringing new charges against yet another Marine for what officials insist is still a sex and spy scandal at various embassies overseas.

ABC's Bob Zelnick reports another Marine embassy guard in Moscow has been charged with failing to report contact with a Soviet woman and he is charged with permitting her to send and receive illicit material through the embassy mail, black marketing and illegally appropriating an embassy car. He is also charged with making a false statement under oath. (CBS-3, ABC-2)

EMPLOYMENT

Brokaw reports the nation's unemployment rate fell to 6.1% last month, the lowest level since 1979. The Labor Department says the major reason is that fewer teenagers are seeking summer jobs. (NBC-11)

ABC's Stephen Aug reports there are not as many teenagers back at work this year, and while nobody knows for certain why, that's the main reason for the drop in the unemployment rate. Women were another reason for the lower jobless rate. Their unemployment rate fell 0.2%. But there continued to be wide disparities. Unemployment among whites is 5.2%, but it's 12.7% among blacks. And geographically. In Texas, where the oil and gas industry remains in its own depression, unemployment's running 8.6%. But in Massachusetts, with a high-technology boom, the rate's only 3.2%. But nationally it's not all rosy. Job growth has slowed down the past two months and there are still 13.5 million Americans who have only a part time job or no job at all. (ABC-5)

Rather: ...That is the lowest jobless rate of the Reagan presidency. But the report noted its June survey was taken unusually early this year, indicating many teenagers were still in school instead of out looking for jobs. (CBS-6)

BOESKY

Brokaw says the Boston Globe reported today that Ivan Boesky has hidden more than \$160 million in personal wealth from the government in a series of maneuvers. According to the Globe, some of the money may have included illegal profits from his insider trading deals. (NBC-3)

AIDS/MICHAEL BENNETT

Jennings reports Michael Bennett, the choreographer, died of an AIDS-related cancer at his home in Arizona. He was 44.

ABC's Beth Nissenson reports on the large number of people in the arts who are dying of AIDS. (CBS-15, ABC-8)

IRAN-IRAQ WAR

Brokaw reports Ambassador Walters met with Soviet officials in Moscow on the Iran-Iraq war and he reported great understanding and a cooperative spirit on the Soviet side.

Meanwhile in Washington, Israeli Defense Minister Rabin disclosed that the Soviets now have offered to hold a peace conference in Moscow to try to settle the Persian Gulf war.

And former President Carter, who is in Moscow, has been talking with Soviet officials -- including General Secretary Gorbachev -- about the Iran-Iraq war as well.

Brokaw discusses the Iran-Iraq war with President Carter, asking whether he thinks the Soviets are sincere in wanting to end that war:

Carter: I think they are sincere in wanting to see an end to the war between Iran and Iraq.... The obstacle, everybody agrees, is the fanaticism of the Ayatollah Khomeini, who has sworn an oath before God that he will never stop this war no matter what happens until he is able to overthrow the existing government under Saddam Hussein in Iraq. And that's at this time a hopeless proposition. (NBC-5)

LINNAS

Brokaw says TASS reported Karl Linnas has died of heart failure.
(ABC-3, CBS-16, NBC-6)

HAITI

Brokaw reports an increasingly violent political storm is raging in Haiti. Since Monday, 10 have been killed and 56 wounded in protest against the Namphy regime.

NBC's Peter Kent reports from Haiti that the cry across that country is, "Down with Namphy." Haitians are furious with the government decree that takes control of upcoming elections away from the people in direct defiance of the country's three-month-old constitution. The army dispersed protesters with live ammunition, but in the presence of a growing international press corps the army was somewhat more restrained. The message from the barricades this week is clear: Haitians are willing to fight for their new constitution. They don't want another election manipulated by the military. In a nationwide TV address, Gen. Namphy blamed anarchists for the unrest. But with spreading protest and strong words from the U.S. State Department -- which controls \$100 million of aid to Haiti -- the General's ruling council is meeting with the civilian electoral committee to discuss who will supervise the approaching elections.

(CBS-10, NBC-9)

NBC's John Chancellor comments on the differences between the situations in Haiti, Korea and the Philippines. (NBC-10)

DEATH PENALTY

ABC's Al Dale reports from Louisiana -- where on a per capita basis they have carried out more executions lately than any other state -- on the debate over the death penalty there. (ABC-10)

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DEMOCRATIC CANDIDATES

ABC's Jim Wooten reports from Houston, Texas on a debate between the Democratic presidential candidates. But with almost nothing to debate among themselves, they spent most of the evening bashing the Republican whose got the job they'd all like to have.

(Rep. Gephardt: "America is awash in debt, and the world's awash in debt because of the Reagan economic policies of the last seven years.")

(Gov. Dukakis: "What we're doing in Nicaragua is illegal. It's a violation of law.")

(Sen. Gore: "I believe that the fundamental thrust of the SDI program is profoundly mistaken.")

For them, Ronald Reagan is the problem and they are the solution.

(Gov. Babbitt: "Last week I heard the President reading from that Teleprompter, and he said, 'The country's in better shape than ever. There's less unemployment, more real income, more family income.' And I thought, he must be talking about Japan.")

(Rev. Jackson: "Mr. Reagan will be gone, but Reaganomics must leave no matter who the president may be.")

One thing they didn't all agree on was how to balance the budget.

(Sen. Simon: "We massively overhauled the tax code and did not one thing on the deficit. It just doesn't make sense.")

(Sen. Biden: "If we raise enough taxes to eliminate the deficit, we put this country in the next two years in a depression.")

(CBS-17, ABC-9)

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EDITORIALS/COLUMNISTS

SUPREME COURT

The Inevitability of Robert Bork -- "Though liberals are gearing up for a fight and a number of Democratic presidential candidates, including Illinois Sen. Paul Simon, will have key roles in the process, it will be difficult for anyone to find a reason for the Senate not to confirm Judge Bork. The principal objection to him is that he is a judicial conservative, which is not an appropriate reason. His views are well within the mainstream of American jurisprudence; in fact, as a scholar and judge he has helped shape legal thinking in many fields, including constitutional law."

(Chicago Tribune, 7/2)

Bork for the High Court -- "Senators who don't like Bork's politics are entitled to their opinions. But unless they seriously question his competence, or uncover a failure of integrity or candor in the course of his confirmation hearings, they should keep their opinions out of it. Robert Bork's legal credentials are as good as they come. The Senate should vote to confirm him."

(New York Daily News, 7/2)

Hard-Right Rudder -- "The country would have been better served by a nominee more like Justice Powell, who had few ideological commitments but who weighed each case on the facts before him and tried to decide what was right."

(Los Angeles Times, 7/2)

The Bork Nomination -- "The Sun opposes many positions with which Judge Bork is identified. We favor abortion rights, oppose the death penalty, support the exclusionary rule against the use of illegally obtained evidence in criminal cases and believe the high tribunal must indeed reflect 'the intellectual winds of the general society.' But while we dislike some of Judge Bork's opinions, we defend the President's right to nominate a highly qualified jurist who shares his conservative views. The Senate ought to give Judge Bork a fair and judicious hearing...."

(Baltimore Sun, 7/2)

U.S. Senate's Prodigious Task -- "President Reagan is eager to get his third justice on the Supreme Court, and the start of the court's next term, in October, provides a seemingly natural deadline for confirmation. But the Senate's task, one of singular importance, is utterly incompatible with speed."

(Hartford Courant, 7/2)

The Case of Biden v. Bork -- "If Biden does oppose Bork, his behavior, and that of any senators who follow him, will mark a new stage in the descent of liberalism into cynicism, an attempt to fill a void of principle with a raw assertion of power.... Biden says there should not be 'six or seven or eight or even five Borks.' The good news for Biden is there is only one Bork. The bad news for Biden is that the one will be more than a match for Biden in a confirmation process that will be easy."

(George Will, New York Daily News, 7/2)

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News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, JULY 3, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

NATIONAL NEWS

President To Outline 'Economic Bill Of Rights' -- President Reagan is unveiling an "Economic Bill of Rights" he hopes will light a fire under congressional budget-makers and put some bang in his campaign against tax hikes. (Baltimore Sun, Los Angeles Times, New York Times, Washington Post, Washington Times, AP, Reuter, UPI)

Ideology As Court Issue; Political Consequences Are Uncertain -- In choosing ideology as the battlefield for the confirmation of Robert Bork, Senate Democrats have expanded a highly charged contest over the direction of the Supreme Court into a fight with high stakes for the party. (Los Angeles Times, New York Times, Washington Post, Washington Times, Scripps Howard)

INTERNATIONAL NEWS

Soviet Proposes Talks In Gulf War But Iran Is Reported To Reject Call -- The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year-old war, but Iranian officials have rejected the idea, Administration and Western diplomats said. (New York Times, Washington Times, AP)

NETWORK NEWS (Thursday Evening)

SUPREME COURT -- The fight to get Robert Bork confirmed may be more difficult than the White House had calculated.

LAROCHE -- Lyndon LaRouche has been indicted on charges of conspiracy to obstruct justice.

EMBASSY SECURITY -- The Pentagon will bring charges against yet another Marine in the sex and spy scandal.

Words on Pieces Of Paper

Picture Shallus doing the words, "engrossing" the Constitution, as the process was called, copying it out at an elegant angle in large, legible script. The four sheets of parchment were vellum, the skin of a lamb or a calf, stretched, scraped and dried. The ink, a blend of oak galls and dyes. The light, an oil lamp. The instrument, a feather quill. All nature contributing to the assignment, human nature in the form of Jacob Shallus, ordinary American citizen, son of a German immigrant to Philadelphia, soldier, patriot, father of eight and, at the time of the Constitutional Convention, assistant clerk to the Pennsylvania General Assembly. The convention handed Shallus the documents for copying on Sept. 15, 1787. He had 40 hours to transfer to four sheets of parchment 4,440 words, for which the payment was \$30, good money for moonlighting.

TIME, JULY 6, 1987

NATIONAL NEWS

REAGAN SPEAKING TODAY ON ECONOMY 'Financial-Impact Statements' Sought For New Legislation

President Reagan plans to use the Jefferson Memorial as a backdrop for a speech on an "Economic Bill of Rights" that, among other things, would require proposed bills to be accompanied by "financial-impact statements."

White House officials briefed reporters in three waves yesterday, trying to build interest in an economic package that includes such familiar Reagan advocacies as a constitutional amendment requiring a balanced budget and allowing presidential vetoes of individual spending items.

A senior official who insisted on anonymity said one feature of the package is a proposal requiring a "super-majority" congressional vote for any tax increase -- either three-fifths or two-thirds.

The official said Reagan's message will be less partisan in tone than recent speeches on the subject and is "not designed to take on Congress."
(Lou Cannon, Washington Post, A5)

President To Outline 'Economic Bill Of Rights'

President Reagan is unveiling an "Economic Bill of Rights" he hopes will light a fire under congressional budget-makers and put some bang in his campaign against tax hikes.

Among the tenets of Reagan's Independence Day proclamation, [a White House] official said, are:

- The right to earn a living free of overly burdensome taxation.

- The right to be spared overregulation by the government.

- A "truth-in-spending" plan requiring Congress, as well as the executive branch, to say how much a program will cost and how it will be financed.

- A "super majority" vote -- either of three-fifths or two-thirds -- would be required in Congress for passage of tax increases.

- Stepping up efforts to turn over to private business some programs operated by the federal government.

(Merrill Hartson, AP)

Reagan Sets Agenda For Tax Curbs

President Reagan, in a speech outlining an "Economic Bill of Rights," will propose a constitutional amendment designed to limit tax increases by requiring that they be imposed only with the approval of an unspecified "super" majority of Congress, a senior White House official said.

The official said Reagan will also propose that legislation authorizing new spending programs be accompanied by a statement explaining where the revenue would come from and how much the program would cost four or more years in the future.

...The "Economic Bill of Rights" speech may provide the President with a potent political weapon to use against Congress in the fight over the federal budget.
(James Gerstenzang, Los Angeles Times, A1)

'Truth In Spending' Plan To Be Urged By Reagan

President Reagan, seeking to revive his effort to reduce the growth in federal spending, will urge Congress to require the preparation of statements assessing the economic impact of any new spending it proposes, White House officials said.

The proposal is part of a presidential initiative that calls for major changes in current federal budget procedures, including the adoption of two-year budgets and a requirement that the President approve the annual budget resolution of Congress.

White House officials said that the core of the proposal will be a "truth in spending" concept that would require the costs of new programs to be assessed in several areas, including the effect on the economy and on taxpayers. The officials said these assessments would be the fiscal equivalent of environmental impact statements.

(Gerald Boyd, New York Times, A8)

Reagan Unveiling 'Economic Bill Of Rights' In Holiday Speech

President Reagan, launching a new phase of his budget battle with Congress, planned to unveil a proposed "Economic Bill of Rights" in an Independence Day speech.

[White House officials] said Reagan would urge that future tax hikes require passage by more than a simple congressional majority -- a plan to make it harder to raise taxes first advocated in 1981 by Sen. William Armstrong, a conservative Colorado Republican.

That proposal would be part of Constitutional amendment requiring a balanced budget that Reagan has long advocated, the officials said.

(Gene Gibbons, Reuter)

Reagan To List Four Fiscal Policy Goals

President Reagan will go to the Jefferson Memorial to deliver his "Economic Bill of Rights" speech in which he will propose a constitutional amendment requiring a "super-majority" in Congress to raise taxes.

The speech will not be confrontational with Congress, a White House official explained. "It is a sort of blueprint that talks about some of the differences between the way the Republicans and Democrats look at the role of the government."

(Jeremiah O'Leary, Washington Times, A4)

Reagan Proclaiming 'Economic Bill Of Rights'

President Reagan, taking advantage of a holiday news lull, decided to proclaim an "Economic Bill of Rights" to pressure Congress into budget reform before both he and the lawmakers go on vacation next month.

The President's repackaging of his time-worn calls for a balanced budget, with a few new twists to put Congress on the defensive, is also an attempt to set an agenda for presidential candidates of both parties in 1988, say White House aides.

(Ira Allen, UPI)

Reagan To Seek Tax Limit In Congress

President Reagan, unveiling a package of new budget and spending proposals today, will call for a constitutional revision that would limit the ability of Congress to raise taxes, White House officials said.

Reagan, in an "Economic Bill of Rights" speech to be delivered from the steps of the Jefferson Memorial, will urge Congress to link a balanced-budget proposal to a provision requiring that any legislation to increase taxes must be passed by a larger-than-usual majority.

Budget experts on Capitol Hill said the President's retooled constitutional balanced-budget proposal has virtually no chance of acceptance by Congress.

Nevertheless the White House, noting that the original Bill of Rights took 2½ years to pass, is plodding ahead with a presidential campaign to overhaul the federal spending process and to pressure Congress to make inroads in substantially lowering the nation's \$173 billion federal budget deficit.

(Julie Johnson, Baltimore Sun, A10)

UNEMPLOYMENT FALLS TO LOWEST LEVEL IN NEARLY EIGHT YEARS

Civilian unemployment in the U.S. has fallen to the lowest level in nearly eight years, dropping to 6.1 percent in June, the Labor Department has reported.

The drop from the 6.3 percent level in May seemed to buttress Reagan administration claims that the economy has not stalled, even after five years of continuous if tepid recovery.

Unemployment has essentially remained steady for the past 13 months and the drop in June seemed to catch some economists off guard. The June figure...was the lowest since December 1979.

(Alver Carlson, Reuter)

BORK'S CRITICISM OF COURT ACTIONS BOLSTERS CRITICS

Judge Robert Bork's criticisms of Supreme Court decisions on a broad range of issues, including affirmative action, voting rights, pornography and racially restrictive housing covenants encouraged liberal critics seeking to broaden opposition to his confirmation.

"This is not just abortion rights," said Nan Aron, director of Alliance for Justice, a liberal lobbying group. She said groups critical of Bork have begun systematically reviewing his writings and statements in hopes of finding new ammunition.

(Ruth Marcus & Al Kamen, Washington Post, A1)

Pro-Abortion Groups Rally Troops For Assault On Bork

Pro-abortion groups, led by Planned Parenthood Federation of America, have mounted a major effort to block Senate confirmation of Judge Robert Bork....

"We urge all Americans to make their views known to their senators and, in particular, to the members of the Senate Judiciary Committee," said Planned Parenthood president Faye Wattleton in a call-to-arms.

(George Archibald, Washington Times, A1)

Is Senate Rejection For Ideology Proper?

The forthcoming battle over the nomination of Robert Bork to the Supreme Court will focus on an issue that has been often debated but never finally resolved: Should the Senate reject a judicial choice solely because of ideology?

The Bork fight -- which already has begun in the Senate although confirmation hearings are not expected to begin until September -- may at last force the current Senate to decide the issue.

Because Bork's vote could reverse the balance of power on the Court on may of the most contentious issue of the day, both the Administration and a host of major Democratic constituency groups opposing Bork plan all-out efforts.

With two Democratic members of the Senate Judiciary Committee -- Joseph Biden and Paul Simon -- running for their party's presidential nomination, the political pressures will be even more intense.

(David Lauter, Los Angeles Times, A1)

Senate Panel Prepares For Hearings On Bork

The Senate Judiciary Committee began preparations for a protracted battle over the nomination of U.S. Appeals Court Judge Robert Bork to the Supreme Court amid clear signs that his potential impact on the court's ideological "balance" will be the focal point of a liberal Democratic assault on the nomination.

Sen. Howard Metzenbaum said he does not question Bork's "professional qualification," but added, "That doesn't mean he's qualified to be the swing vote on the Supreme Court."

With the possible exception of Sen. Arlen Specter, the Judiciary Committee's six Republicans appear all but certain to line up behind the Bork nomination. The committee's eight Democrats are dominated by liberals such as Biden and Sen. Edward Kennedy, making the more conservative Sens. Dennis DeConcini and Howell Heflin the key swing votes.

(Edward Walsh, Washington Post, A4)

Dole Predicts Confirmation For Bork

U.S. Senate Minority Leader Robert Dole said that Robert Bork, President Reagan's controversial Supreme Court nominee, has impeccable conservative credentials and predicted that he will be confirmed with bipartisan support in the Senate.

"I think there will be and should be heavy scrutiny of any Supreme Court nominee," Dole told a press conference at Minneapolis-St. Paul International Airport....

"But I don't believe he should be rejected because of his philosophy," Dole said, adding that he shares Bork's belief in a strict construction of the Constitution, "and I think most Americans do."

He drew laughter and applause from about 100 greeters at the airport when he said: "Just because Ted Kennedy doesn't like the nominee doesn't mean he ought to be rejected. As far as I know, Ted Kennedy didn't get elected president. Ronald Reagan did, and Ronald Reagan makes the appointments."

(Betty Wilson, Scripps Howard)

Baker Sees Tough Fight Over Bork But Says He Didn't Oppose Choice

Officials close to White House Chief of Staff Howard Baker said that he had had some doubts about nominating Robert Bork to the Supreme Court, but Baker himself said it was President Reagan's decision and that he had no objection.

"I'm here for a single purpose -- to make sure the President's staff performs well and supports his wishes," Baker said in an interview today. "His wish was to appoint Bork, and had I had a violent objection to it, I would have told him so."

Still, other White House officials seemed to put some distance between Baker and the decision to nominate Bork, which is creating a major confrontation with Congress.

The chief of staff indicated that he played little role in the actual selection of Judge Bork. "All these folks who claim it was Meese's decision or Baker's decision or somebody else's decision are wrong," Baker said. "It was Ronald Reagan's decision." (New York Times, A9)

Bork May Affect '88 Campaign; Nomination Offers Democrats Chance To Define Party's Values

HOUSTON -- In their first debate, seven Democratic presidential candidates talked about trade, taxes and deficits. But the chances that any one of them will make it to the White house in 1989 could have as

much to do with a question not asked: Should U.S. Appeals Court Judge Robert Bork be confirmed to serve on the Supreme Court?

For the Democrats, the Bork confirmation battle is an opportunity to define the party's core values. Their most prominent interest groups have noisily joined the fray; the candidates aren't far behind. "This is the sort of fight that reduces everything to the bare essentials," said William Carrick, campaign manager for Rep. Richard Gephardt. "This is what being a Democrat is all about. We can't go into the tank on this one."

(News Analysis, Paul Taylor & Dan Balz, Washington Post, A4)

Confirmation Row May Benefit GOP

The partisan battle over appellate Judge Robert Bork's nomination to the Supreme Court could wind up hurting Democrats and helping Republicans in the 1988 election, political observers in both parties said.

[The social issues of affirmative action, abortion, AIDS testing, homosexual rights, school prayer and tuition tax credits], conspicuously avoided by seven of the Democratic presidential hopefuls in a nationally televised debate Wednesday night, are the "Achilles Heel" of the party, a phrase used by Stuart Eizenstat, former President Jimmy Carter's chief domestic adviser and other Democratic analysts.

"The nomination of Bork, whether or not he is confirmed, elevates those issues and makes them more passionate for the electorate," Eizenstat said. "And that is a significant accomplishment for the Reagan Administration." (Ralph Hallow, Washington Times, A1)

Ideology As Court Issue; Political Consequences Are Uncertain

In choosing ideology as the battlefield for the confirmation of Robert Bork, Senate Democrats have expanded a highly charged contest over the direction of the Supreme Court into a fight with high stakes for the party.

If the premise of the Senate debate is that the addition of Robert Bork to the Supreme Court will profoundly alter the course of constitutional law, then the vote on the nomination inevitably becomes something much more than a vote on Robert Bork. It becomes a referendum on the very issues that make senators most uncomfortable: abortion, affirmative action, questions of church and state, all the legislative genies that the Reagan revolution let out of the bottle in the early 1980s and that the Senate, in the interest of getting on with its work, has more or less managed in the last several years to bottle up once again.

(News Analysis, Linda Greenhouse, New York Times, A1)

PARTNERSHIP OMITTED ON '85 LIST BY MEESE

Senator Hits Ethics Unit's 'Casual Approach'

Attorney General Meese failed to list his partnership with a former official of the Wedtech Corp. in a 1985 list of possible subordinates the day after he made the investment, Sen. Carl Levin disclosed.

Levin said he was "very disturbed" by Meese's handling of the matter and by "the casual, almost negligent approach of the Office of Government Ethics" to Meese's lapses.

Justice Department spokesman Patrick Korten denied any lapses on Meese's part. "What Carl Levin is doing is making a very enormous political mountain out of a very small anthill," Korten declared.

(George Lardner & Mary Thornton, Washington Post, A3)

Meese Criticized For Failure To Report Financial Ties

Attorney General Meese faces new criticism from Congress because he neglected, apparently for more than a year, to disclose his financial ties to a businessman now involved in the Wedtech scandal.

Sen. Carl Levin is scheduling a congressional hearing for next Thursday to look into, among other things, a May 24, 1985, memo by Meese on his own finances in which he failed to mention that on the previous day he had invested \$60,000 with W. Franklyn Chinn.

(Pete Yost, AP)

HHS SECRETARY FIRES ABORTION OPPONENT FOR INSUBORDINATION

Jo Ann Gasper, deputy assistant secretary of health and human services for population affairs, was dismissed for insubordination in a dispute over abortion and the \$142.5 million federal family planning program.

Behind her ouster -- which was based on her refusal to renew two grants to Planned Parenthood groups despite direct orders from her superior -- was a dispute over her efforts to tighten antiabortion restrictions to a degree exceeding what HHS officials believed permissible without a change in the law.

(Spencer Rich, Washington Post, A23)

FIVE-YEAR OFFSHORE LEASING PLAN BECOMES FINAL

The Administration's new five-year offshore oil leasing plan, touted as an energy security booster and condemned as an environmental threat, took effect still facing likely challenges in Congress.

A 60-day congressional review period expired quietly, and Interior Secretary Hodel announced the plan was final and in effect.

(Chris Chrystal, UPI)

ADMINISTRATION AFFIRMS SUPPORT FOR GLOBAL CURBS TO PROTECT OZONE

The Reagan Administration, rejecting the controversial suggestion of sunglasses and tanning lotion as protection against ultraviolet radiation, has decided to maintain its call for strong international controls on chlorofluorocarbons to protect the Earth's ozone, officials said.

At an international meeting earlier this week in Brussels, U.S. negotiators reaffirmed support for a tentative agreement among 31 nations to freeze production of chlorofluorocarbons at current levels and cut their use by 20 percent over the next decade, officials said.

(Washington Post, A28)

LAROCHE INDICTED IN CONSPIRACY

Justice Dept. Alleges Va.-Based Extremist Tried To Scuttle Probe

A federal grand jury in Boston has indicted political extremist Lyndon LaRouche on a charge of conspiracy to obstruct justice in the latest round of indictments against his Leesburg [Va.]-based organization.

The indictment...is the first criminal charge ever against LaRouche.

Authorities charged him for what prosecutors have said was his group's "flagrant" defiance of law in trying to scuttle a federal probe of alleged financial frauds by fundraisers for his 1984 presidential campaign.

(John Mintz, Washington Post, A1)

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INTERNATIONAL NEWS

RABIN: SOVIETS OFFER TO HELP SETTLE IRAN-IRAQ WAR

The Soviet Union offered to help settle the Persian Gulf war between Iran and Iraq with a peace conference in Moscow, but Iran refused to participate, Israeli Defense Minister Yitzhak Rabin says.

"The Iranians refused," Rabin said. "Their demand is the head of Saddam Hussein," the Iraqi president. Iraq, meanwhile, realizes it cannot defeat Iran, and would end the 7-year-old conflict under pre-war conditions, Rabin said.

State Department spokeswoman Phyllis Oakley refused to say whether Rabin's report on the Soviet peace offer came as a surprise. Another U.S. official, who demanded anonymity, said, "I've been told there was an offer and that the Russians were also pushing a cease-fire in the (Persian) Gulf." (AP)

Soviet Bid To Host Gulf Peace Talks Disclosed

Israeli Defense Minister Yitzhak Rabin surprised State Department officials by disclosing that Moscow had offered to host a Persian Gulf peace conference to help Iran and Iraq end their almost seven-year war.

"We know nothing about it," said one State Department official.

Rabin said the Iranians rejected the Soviet proposal but gave [Soviet First Deputy Foreign Minister Yuli] Vorontsov the "red-carpet treatment" during his visit to Tehran.

Rabin said the Soviet Union was the only power that could achieve an end to the Gulf War because of its military clout and its ability to talk to both belligerents. The Soviet Union is one of Iraq's main arms suppliers, and Soviet arms reach Iran through some of Moscow's allies such as North Korea.

"Rabin is right," said a State Department official. "We've got to find a way to talk to the Iranians. We fundamentally don't know what to do about Iran; it's a tough problem."

(Martin Sieff & James Dorsey, Washington Times, A8)

Soviet Proposes Talks In Gulf War But Iran Is Reported To Reject Call

The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year-old war, but Iranian officials have rejected the idea, Administration and Western diplomats said.

Nevertheless, the proposal...has caused concern among American officials, who say they fear it could draw attention away from an American-led initiative at the U.N.

These officials also portray the move as part of a larger Soviet strategy to gain favor with Iran and expand influence in the Middle East in an attempt to prove that Moscow can play a role in resolving the Arab-Israeli conflict. (Elaine Sciolino, New York Times, A6)

WALTERS REPORTS PROGRESS IN MOSCOW TALKS ON GULF Two Powers Back Cease-Fire, May Differ On Sanctions

MOSCOW -- U.S. special envoy Vernon Walters declared success in the first round of his mission to end the seven-year-old Iran-Iraq war, saying that the U.S. "can count on" Moscow's vote for a U.N. resolution demanding a cease-fire.

Following a day of talks with senior Soviet Foreign Ministry officials, Walters said that the Soviet Union and other key U.N. countries have shown "a greater desire to be successful on this particular issue than I have found in any of the previous discussions I have had before."

But Walters, in a press conference at the American Embassy, hinted at disagreements over a second U.S.-backed resolution that would impose mandatory sanctions, including an arms embargo, on whichever country refused to comply with a U.N.-ordered cease-fire.

(Gary Lee, Washington Post, A34)

NO U.S. MINESWEEPING HELICOPTERS TO PERSIAN GULF WHILE SAUDIS SEEK ARAB AID

The Reagan Administration is postponing plans to dispatch helicopters to Kuwait while Saudi Arabia tries to marshal an Arab flotilla to handle mines apparently laid by Iran in the Persian Gulf, Pentagon sources say.

Those plans were delayed because Saudi Arabia has four U.S.-made minesweepers and is "trying to organize a force from the other Persian Gulf states, rather than introduce a lot more U.S. or Western equipment," on Pentagon source said.

(Bryan Brumley, AP)

SYRIA KEEPS DENOUNCING U.S. DESPITE MOVES TO END STRAINS

BEIRUT -- Syria is keeping up a war of words against the U.S. despite recent moves at ending the strains between the two nations.

Attacks on the Reagan Administration and its policies are made daily by the state-controlled press and Damascus radio, which is clearly heard here. The Syrian press has made no mention of recent conciliatory exchanges between President Hafez al-Assad and President Reagan.

(Ihsan Hijazi, New York Times, A6)

LACK OF PROGRESS AT GENEVA SAID TO PERIL SHEVARDNADZE VISIT

MOSCOW -- A Soviet Foreign Ministry spokesman said lack of progress at the Geneva arms talks jeopardized the planned meeting of Foreign Minister Eduard Shevardnadze and Secretary Shultz, scheduled to take place in Washington this month.

Citing "slow headway" in Geneva arms control talks, Foreign Ministry spokesman Boris Pyadyshev said at a news conference, "If there is no progress at the negotiations, why should the Soviet minister go to Washington?"

(Gary Lee, Washington Post, A34)

Soviet Denies Making Offer On Missiles

MOSCOW -- The Soviet Foreign Ministry denied a report that a Soviet official had informally offered a compromise proposal on the issues holding up an arms-control agreement on medium- and shorter-range missiles.

In denying a dispatch from Washington in The New York Times on Wednesday, the Foreign Ministry accused the U.S. of painting "an unjustifiably radiant picture" of progress in the arms negotiations.

(Bill Keller, New York Times, A3)

CARTER: MISSILES AGREEMENT COULD COME BY 1989

MOSCOW -- Former President Jimmy Carter told reporters that the U.S. and the Soviet Union are capable of achieving an agreement to reduce medium-range missiles before President Reagan leaves office.

A day after holding a 1½-hour meeting with Soviet leader Gorbachev, Carter said, "My own belief is that negotiators are near enough to conclude such a treaty in time for it to be ratified during President Reagan's term in office."

(Washington Post, A34)

SIXTH MARINE CHARGED IN SECRETS-FOR-SEX PROBE

The Marine Corps, which has encountered difficulty in proving charges against members of its U.S. Embassy detachment in Moscow, said another former member of the unit has been charged with copying classified U.S. documents in Switzerland and forwarding them to a private residence in a Chicago suburb.

Sgt. Kenneth Kelliher, 32, of Hinsdale, Ill., became the sixth person charged in a widespread military investigation into allegations that the Moscow guards traded secrets for sex with Soviet women.

Kelliher, accused of copying the documents at the U.S. Embassy in Bern, was also charged with failing to report three contacts with Soviet women while stationed in Moscow from September 1984 until March 1986.

(Bill McAllister, Washington Post, A20)

WHITE HOUSE TO HIRE LOEFFLER AS LOBBYIST FOR AID TO CONTRAS

The Reagan Administration is expected to hire former Rep. Tom Loeffler to lead White House efforts to win from Congress renewed aid for the Nicaraguan resistance, a senior official said.

Loeffler, 40, a four-term Republican from Texas, would coordinate lobbying on a bill President Reagan plans to send to Congress in September that would provide \$120 million to \$140 million in contra aid for fiscal 1988, the official said.

"The vote (on contra aid) will come in late September, and it's going to be tough," the official said. "We're going to be fighting for 30 votes when the time comes. He knows who we've got to work with, and the Administration has to give them some real leadership."

(Jeremiah O'Leary, Washington Times, A3)

JAPAN VOWS NONINTERFERENCE IN U.S. DRIVE TO BAR TOSHIBA

TOKYO -- The Japanese government said it wouldn't interfere with a proposed U.S. import ban on Toshiba Corp. stemming from that company's sale of sensitive technology to the Soviet Union.

Japanese officials also vowed to take steps to prevent any further violations of rules controlling exports to communist countries.

In a regular Foreign Ministry briefing, Yukio Okamoto, director of the National Security Affairs Division, said "there is a very, very strong feeling and recognition" within the Japanese government that "we should never allow these things to happen again." (Washington Post, G3)

SHULTZ, CANADIAN FOREIGN MINISTER CLARK VOICE OPTIMISM FOR CUTTING TARIFFS

DETROIT -- Secretary Shultz and Canadian Foreign Minister Joe Clark voiced optimism for a new pact cutting tariffs between their countries but warned of tough bargaining ahead.

"Success is not assured, but we are optimistic that we will be able to conclude a draft agreement which advances the economic interests of both sides and present it for congressional and parliamentary review in early October," Shultz told the Economic Club of Detroit.

(Sabah Fakhoury, UPI)

RABIN SEEKS CONCESSIONS IF LAVI BOMBER CANCELED

Israeli Defense Minister Yitzhak Rabin has asked for a multi-million package of concessions from the U.S. in exchange for canceling the costly Lavi fighter-bomber, Pentagon officials said.

Secretary Weinberger listened "sympathetically" to Rabin during an hour-long "cordial discussion" at the Pentagon Wednesday and expressed his willingness to help Israel offset losses if the costly Lavi project is canceled, the officials said.

But Weinberger turned down Rabin's request to increase the \$1.8 billion Israel receives annually in U.S. military aid as one means of compensating the Jewish state for giving up the Lavi, officials said.

(Richard Gross, UPI)

PANAMA MINISTER APOLOGIZED FOR ATTACKS ON U.S. MISSIONS

PANAMA CITY, Panama -- Foreign Minister Jorge Abadia Arias promised to pay damages for mob attacks on U.S. diplomatic building here as protest against the military-dominated government continued for the second straight day.

A mob of government supporters attacked U.S. diplomatic buildings here Tuesday including the embassy and consulate, and in a conciliatory statement, Abadia apologized and referred to the U.S. as a friend and "historical partner of Panama."

(Tom Brown, Reuter)

NETWORK NEWS SUMMARY

(Thursday Evening, July 2)

SUPREME COURT

NBC's Tom Brokaw: The fight to get Robert H. Bork confirmed as President Reagan's latest appointment to the Supreme Court may be more difficult than what the White House had calculated. Bork's opponents know that his confirmation could dramatically shift the direction of the Court, so they are digging in.

NBC's Carl Stern: Today in Washington, as partisans on both sides began grinding out letters and literature on whether the Senate should confirm Bork, it became increasingly apparent that it could be a cliffhanger. A conservative strategist acknowledged that it could be so close that the White House won't have the votes to prevent an anti-Bork filibuster.

(Patrick McGuigan: "Well, our enemies in this battle use obstructionist tactics. If they do, there's the chance they'll be able to delay this for awhile.")

...Liberal groups believe Bork can be defeated.

(Nan Aron, Alliance for Justice: "We're hearing from people all over the country. They're shocked, they're outraged and they're ready to be mobilized.")

(John Buchanan, People for the American Way: "We're going to try to get the Senate to stand up for the rights and the liberties of American citizens opposing this nomination.")

Conservatives intend to work just as hard.

(Phyllis Schlafly: "We will tell the Democrats that the American people do not appreciate their playing politics over this nomination.")

(Attorney General Meese: "Judge Bork is certainly eminently qualified and should be confirmed promptly.")

...Consumer activist Ralph Nader, who rarely gets into partisan political debate, today said he's going to work for Bork's defeat and explained why.

(Nader: "Because Mr. Bork has a judicial philosophy that favors big government when it acts against ordinary consumers, taxpayers and citizens.")

As of this afternoon, Senate nose-counters said neither side has enough votes to win, with 1/4 of the senators unsure which way to vote.

(NBC-4)

CBS's Dan Rather: More indications today of just how serious the opposition and how long the debate over Robert Bork will be.... There's increasing talk of a possible filibuster. Bork himself, while in the center of the fray today, tried to stay above it. Asked about criticisms that he would turn back the clock on social and civil rights issues, Bork said only, "I read the papers."

(CBS-5)

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ILLEGAL IMMIGRANTS/BOXCAR DEATHS

Brokaw: The dreams of 18 illegal aliens from Mexico, their dreams of work and a new life in the U.S., came to a gruesome end in a stifling hot boxcar in South Texas. They died in the 120-degree heat, apparently of dehydration.... It was a smuggling operation gone terribly wrong. Border patrol officers said only one man in the boxcar survived.... Apparently the smugglers locked the doors after the men, most of them in their 20s and 30s, were herded into the car late yesterday afternoon near El Paso, Texas. Officials said the boxcar was delayed on a siding by mechanical troubles last night, so if there were a plan for someone to open the car at a destination, the boxcar never arrived....

CBS's Terry Drinkwater reports immigration officials say border arrests are on the rise. They had hoped the new amnesty law would stem the tide. Over the years, many others -- no one knows how many -- have died being smuggled across the vast stretches of hot desert.

(ABC-4 & 11, CBS-Lead, NBC-Lead)

IMMIGRATION LAW

CBS's David Dow reports Mexican farm workers no longer have to prove they qualify for amnesty under the new immigration law before entering the U.S. The new one-stop immigration service is the latest in a series of concessions to Western growers, who helped write the new law but insisted it was being applied too rigidly. The fear: that California's \$14 billion harvest -- the nation's largest -- could go the way of Oregon's, where homeless were drafted to make up for a shortage of migrant workers. In a recent teleconference with California congressmen, some in the farm industry warned that without changes, disaster was imminent. Some, including labor unions, insist the claims were deliberately exaggerated. Immigration officials suggested recently that growers are having a problem getting adjusted to the new law. And in other industries claiming labor shortages, there is a mixture of envy and bitterness at the concessions to agriculture. Having won at politics, the growers must now win the hearts and minds of Mexican workers still confused about the new American law. Though hundreds have flocked to the border seeking amnesty application forms, fewer than 20 have actually filed them.

(CBS-2)

LAROUCHE

ABC's Peter Jennings: We begin this evening with the indictment of the political extremist Lyndon LaRouche.... He has been indicted on charges of conspiracy to obstruct justice.

ABC's Dennis Troute reports the government charges LaRouche and his deputies conspired to destroy records and move witnesses after the government began investigating the LaRouche organization on charges of credit card fraud.

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

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EMBASSY SECURITY

Jennings reports the Pentagon announced it is bringing new charges against yet another Marine for what officials insist is still a sex and spy scandal at various embassies overseas.

ABC's Bob Zelnick reports another Marine embassy guard in Moscow has been charged with failing to report contact with a Soviet woman and he is charged with permitting her to send and receive illicit material through the embassy mail, black marketing and illegally appropriating an embassy car. He is also charged with making a false statement under oath. (CBS-3, ABC-2)

EMPLOYMENT

Brokaw reports the nation's unemployment rate fell to 6.1% last month, the lowest level since 1979. The Labor Department says the major reason is that fewer teenagers are seeking summer jobs. (NBC-11)

ABC's Stephen Aug reports there are not as many teenagers back at work this year, and while nobody knows for certain why, that's the main reason for the drop in the unemployment rate. Women were another reason for the lower jobless rate. Their unemployment rate fell 0.2%. But there continued to be wide disparities. Unemployment among whites is 5.2%, but it's 12.7% among blacks. And geographically. In Texas, where the oil and gas industry remains in its own depression, unemployment's running 8.6%. But in Massachusetts, with a high-technology boom, the rate's only 3.2%. But nationally it's not all rosy. Job growth has slowed down the past two months and there are still 13.5 million Americans who have only a part time job or no job at all. (ABC-5)

Rather: ...That is the lowest jobless rate of the Reagan presidency. But the report noted its June survey was taken unusually early this year, indicating many teenagers were still in school instead of out looking for jobs. (CBS-6)

BOESKY

Brokaw says the Boston Globe reported today that Ivan Boesky has hidden more than \$160 million in personal wealth from the government in a series of maneuvers. According to the Globe, some of the money may have included illegal profits from his insider trading deals. (NBC-3)

AIDS/MICHAEL BENNETT

Jennings reports Michael Bennett, the choreographer, died of an AIDS-related cancer at his home in Arizona. He was 44.

ABC's Beth Nissenson reports on the large number of people in the arts who are dying of AIDS. (CBS-15, ABC-8)

IRAN-IRAQ WAR

Brokaw reports Ambassador Walters met with Soviet officials in Moscow on the Iran-Iraq war and he reported great understanding and a cooperative spirit on the Soviet side.

Meanwhile in Washington, Israeli Defense Minister Rabin disclosed that the Soviets now have offered to hold a peace conference in Moscow to try to settle the Persian Gulf war.

And former President Carter, who is in Moscow, has been talking with Soviet officials -- including General Secretary Gorbachev -- about the Iran-Iraq war as well.

Brokaw discusses the Iran-Iraq war with President Carter, asking whether he thinks the Soviets are sincere in wanting to end that war:

Carter: I think they are sincere in wanting to see an end to the war between Iran and Iraq.... The obstacle, everybody agrees, is the fanaticism of the Ayatollah Khomeini, who has sworn an oath before God that he will never stop this war no matter what happens until he is able to overthrow the existing government under Saddam Hussein in Iraq. And that's at this time a hopeless proposition. (NBC-5)

LINNAS

Brokaw says TASS reported Karl Linnas has died of heart failure.
(ABC-3, CBS-16, NBC-6)

HAITI

Brokaw reports an increasingly violent political storm is raging in Haiti. Since Monday, 10 have been killed and 56 wounded in protest against the Namphy regime.

NBC's Peter Kent reports from Haiti that the cry across that country is, "Down with Namphy." Haitians are furious with the government decree that takes control of upcoming elections away from the people in direct defiance of the country's three-month-old constitution. The army dispersed protesters with live ammunition, but in the presence of a growing international press corps the army was somewhat more restrained. The message from the barricades this week is clear: Haitians are willing to fight for their new constitution. They don't want another election manipulated by the military. In a nationwide TV address, Gen. Namphy blamed anarchists for the unrest. But with spreading protest and strong words from the U.S. State Department -- which controls \$100 million of aid to Haiti -- the General's ruling council is meeting with the civilian electoral committee to discuss who will supervise the approaching elections.

(CBS-10, NBC-9)

NBC's John Chancellor comments on the differences between the situations in Haiti, Korea and the Philippines. (NBC-10)

DEATH PENALTY

ABC's Al Dale reports from Louisiana -- where on a per capita basis they have carried out more executions lately than any other state -- on the debate over the death penalty there. (ABC-10)

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DEMOCRATIC CANDIDATES

ABC's Jim Wooten reports from Houston, Texas on a debate between the Democratic presidential candidates. But with almost nothing to debate among themselves, they spent most of the evening bashing the Republican whose got the job they'd all like to have.

(Rep. Gephardt: "America is awash in debt, and the world's awash in debt because of the Reagan economic policies of the last seven years.")

(Gov. Dukakis: "What we're doing in Nicaragua is illegal. It's a violation of law.")

(Sen. Gore: "I believe that the fundamental thrust of the SDI program is profoundly mistaken.")

For them, Ronald Reagan is the problem and they are the solution.

(Gov. Babbitt: "Last week I heard the President reading from that Teleprompter, and he said, 'The country's in better shape than ever. There's less unemployment, more real income, more family income.' And I thought, he must be talking about Japan.")

(Rev. Jackson: "Mr. Reagan will be gone, but Reaganomics must leave no matter who the president may be.")

One thing they didn't all agree on was how to balance the budget.

(Sen. Simon: "We massively overhauled the tax code and did not one thing on the deficit. It just doesn't make sense.")

(Sen. Biden: "If we raise enough taxes to eliminate the deficit, we put this country in the next two years in a depression.")

(CBS-17, ABC-9)

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EDITORIALS/COLUMNISTS

SUPREME COURT

The Inevitability of Robert Bork -- "Though liberals are gearing up for a fight and a number of Democratic presidential candidates, including Illinois Sen. Paul Simon, will have key roles in the process, it will be difficult for anyone to find a reason for the Senate not to confirm Judge Bork. The principal objection to him is that he is a judicial conservative, which is not an appropriate reason. His views are well within the mainstream of American jurisprudence; in fact, as a scholar and judge he has helped shape legal thinking in many fields, including constitutional law."

(Chicago Tribune, 7/2)

Bork for the High Court -- "Senators who don't like Bork's politics are entitled to their opinions. But unless they seriously question his competence, or uncover a failure of integrity or candor in the course of his confirmation hearings, they should keep their opinions out of it. Robert Bork's legal credentials are as good as they come. The Senate should vote to confirm him."

(New York Daily News, 7/2)

Hard-Right Rudder -- "The country would have been better served by a nominee more like Justice Powell, who had few ideological commitments but who weighed each case on the facts before him and tried to decide what was right."

(Los Angeles Times, 7/2)

The Bork Nomination -- "The Sun opposes many positions with which Judge Bork is identified. We favor abortion rights, oppose the death penalty, support the exclusionary rule against the use of illegally obtained evidence in criminal cases and believe the high tribunal must indeed reflect 'the intellectual winds of the general society.' But while we dislike some of Judge Bork's opinions, we defend the President's right to nominate a highly qualified jurist who shares his conservative views. The Senate ought to give Judge Bork a fair and judicious hearing...."

(Baltimore Sun, 7/2)

U.S. Senate's Prodigious Task -- "President Reagan is eager to get his third justice on the Supreme Court, and the start of the court's next term, in October, provides a seemingly natural deadline for confirmation. But the Senate's task, one of singular importance, is utterly incompatible with speed."

(Hartford Courant, 7/2)

The Case of Biden v. Bork -- "If Biden does oppose Bork, his behavior, and that of any senators who follow him, will mark a new stage in the descent of liberalism into cynicism, an attempt to fill a void of principle with a raw assertion of power.... Biden says there should not be 'six or seven or eight or even five Borks.' The good news for Biden is there is only one Bork. The bad news for Biden is that the one will be more than a match for Biden in a confirmation process that will be easy."

(George Will, New York Daily News, 7/2)

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News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, JULY 3, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

NATIONAL NEWS

President To Outline 'Economic Bill Of Rights' -- President Reagan is unveiling an "Economic Bill of Rights" he hopes will light a fire under congressional budget-makers and put some bang in his campaign against tax hikes.

(Baltimore Sun, Los Angeles Times, New York Times, Washington Post, Washington Times, AP, Reuter, UPI)

Ideology As Court Issue; Political Consequences Are Uncertain -- In choosing ideology as the battlefield for the confirmation of Robert Bork, Senate Democrats have expanded a highly charged contest over the direction of the Supreme Court into a fight with high stakes for the party.

(Los Angeles Times, New York Times, Washington Post, Washington Times, Scripps Howard)

INTERNATIONAL NEWS

Soviet Proposes Talks In Gulf War But Iran Is Reported To Reject Call -- The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year-old war, but Iranian officials have rejected the idea, Administration and Western diplomats said.

(New York Times, Washington Times, AP)

NETWORK NEWS (Thursday Evening)

SUPREME COURT -- The fight to get Robert Bork confirmed may be more difficult than the White House had calculated.

LAROCHE -- Lyndon LaRouche has been indicted on charges of conspiracy to obstruct justice.

EMBASSY SECURITY -- The Pentagon will bring charges against yet another Marine in the sex and spy scandal.

Words on Pieces Of Paper

Picture Shallus doing the words, "engrossing" the Constitution, as the process was called, copying it out at an elegant angle in large, legible script. The four sheets of parchment were vellum, the skin of a lamb or a calf, stretched, scraped and dried. The ink, a blend of oak galls and dyes. The light, an oil lamp. The instrument, a feather quill. All nature contributing to the assignment, human nature in the form of Jacob Shallus, ordinary American citizen, son of a German immigrant to Philadelphia, soldier, patriot, father of eight and, at the time of the Constitutional Convention, assistant clerk to the Pennsylvania General Assembly. The convention handed Shallus the documents for copying on Sept. 15, 1787. He had 40 hours to transfer to four sheets of parchment 4,440 words, for which the payment was \$30, good money for moonlighting.

TIME, JULY 6, 1987

NATIONAL NEWS

REAGAN SPEAKING TODAY ON ECONOMY 'Financial-Impact Statements' Sought For New Legislation

President Reagan plans to use the Jefferson Memorial as a backdrop for a speech on an "Economic Bill of Rights" that, among other things, would require proposed bills to be accompanied by "financial-impact statements."

White House officials briefed reporters in three waves yesterday, trying to build interest in an economic package that includes such familiar Reagan advocacies as a constitutional amendment requiring a balanced budget and allowing presidential vetoes of individual spending items.

A senior official who insisted on anonymity said one feature of the package is a proposal requiring a "super-majority" congressional vote for any tax increase -- either three-fifths or two-thirds.

The official said Reagan's message will be less partisan in tone than recent speeches on the subject and is "not designed to take on Congress."

(Lou Cannon, Washington Post, A5)

President To Outline 'Economic Bill Of Rights'

President Reagan is unveiling an "Economic Bill of Rights" he hopes will light a fire under congressional budget-makers and put some bang in his campaign against tax hikes.

Among the tenets of Reagan's Independence Day proclamation, [a White House] official said, are:

- The right to earn a living free of overly burdensome taxation.
- The right to be spared overregulation by the government.
- A "truth-in-spending" plan requiring Congress, as well as the executive branch, to say how much a program will cost and how it will be financed.

-- A "super majority" vote -- either of three-fifths or two-thirds -- would be required in Congress for passage of tax increases.

-- Stepping up efforts to turn over to private business some programs operated by the federal government. (Merrill Hartson, AP)

Reagan Sets Agenda For Tax Curbs

President Reagan, in a speech outlining an "Economic Bill of Rights," will propose a constitutional amendment designed to limit tax increases by requiring that they be imposed only with the approval of an unspecified "super" majority of Congress, a senior White House official said.

The official said Reagan will also propose that legislation authorizing new spending programs be accompanied by a statement explaining where the revenue would come from and how much the program would cost four or more years in the future.

...The "Economic Bill of Rights" speech may provide the President with a potent political weapon to use against Congress in the fight over the federal budget. (James Gerstenzang, Los Angeles Times, A1)

'Truth In Spending' Plan To Be Urged By Reagan

President Reagan, seeking to revive his effort to reduce the growth in federal spending, will urge Congress to require the preparation of statements assessing the economic impact of any new spending it proposes, White House officials said.

The proposal is part of a presidential initiative that calls for major changes in current federal budget procedures, including the adoption of two-year budgets and a requirement that the President approve the annual budget resolution of Congress.

White House officials said that the core of the proposal will be a "truth in spending" concept that would require the costs of new programs to be assessed in several areas, including the effect on the economy and on taxpayers. The officials said these assessments would be the fiscal equivalent of environmental impact statements.

(Gerald Boyd, New York Times, A8)

Reagan Unveiling 'Economic Bill Of Rights' In Holiday Speech

President Reagan, launching a new phase of his budget battle with Congress, planned to unveil a proposed "Economic Bill of Rights" in an Independence Day speech.

[White House officials] said Reagan would urge that future tax hikes require passage by more than a simple congressional majority -- a plan to make it harder to raise taxes first advocated in 1981 by Sen. William Armstrong, a conservative Colorado Republican.

That proposal would be part of Constitutional amendment requiring a balanced budget that Reagan has long advocated, the officials said.

(Gene Gibbons, Reuter)

Reagan To List Four Fiscal Policy Goals

President Reagan will go to the Jefferson Memorial to deliver his "Economic Bill of Rights" speech in which he will propose a constitutional amendment requiring a "super-majority" in Congress to raise taxes.

The speech will not be confrontational with Congress, a White House official explained. "It is a sort of blueprint that talks about some of the differences between the way the Republicans and Democrats look at the role of the government."

(Jeremiah O'Leary, Washington Times, A4)

Reagan Proclaiming 'Economic Bill Of Rights'

President Reagan, taking advantage of a holiday news lull, decided to proclaim an "Economic Bill of Rights" to pressure Congress into budget reform before both he and the lawmakers go on vacation next month.

The President's repackaging of his time-worn calls for a balanced budget, with a few new twists to put Congress on the defensive, is also an attempt to set an agenda for presidential candidates of both parties in 1988, say White House aides.

(Ira Allen, UPI)

Reagan To Seek Tax Limit In Congress

President Reagan, unveiling a package of new budget and spending proposals today, will call for a constitutional revision that would limit the ability of Congress to raise taxes, White House officials said.

Reagan, in an "Economic Bill of Rights" speech to be delivered from the steps of the Jefferson Memorial, will urge Congress to link a balanced-budget proposal to a provision requiring that any legislation to increase taxes must be passed by a larger-than-usual majority.

Budget experts on Capitol Hill said the President's retooled constitutional balanced-budget proposal has virtually no chance of acceptance by Congress.

Nevertheless the White House, noting that the original Bill of Rights took 2½ years to pass, is plodding ahead with a presidential campaign to overhaul the federal spending process and to pressure Congress to make inroads in substantially lowering the nation's \$173 billion federal budget deficit.

(Julie Johnson, Baltimore Sun, A10)

UNEMPLOYMENT FALLS TO LOWEST LEVEL IN NEARLY EIGHT YEARS

Civilian unemployment in the U.S. has fallen to the lowest level in nearly eight years, dropping to 6.1 percent in June, the Labor Department has reported.

The drop from the 6.3 percent level in May seemed to buttress Reagan administration claims that the economy has not stalled, even after five years of continuous if tepid recovery.

Unemployment has essentially remained steady for the past 13 months and the drop in June seemed to catch some economists off guard. The June figure...was the lowest since December 1979.

(Alver Carlson, Reuter)

BORK'S CRITICISM OF COURT ACTIONS BOLSTERS CRITICS

Judge Robert Bork's criticisms of Supreme Court decisions on a broad range of issues, including affirmative action, voting rights, pornography and racially restrictive housing covenants encouraged liberal critics seeking to broaden opposition to his confirmation.

"This is not just abortion rights," said Nan Aron, director of Alliance for Justice, a liberal lobbying group. She said groups critical of Bork have begun systematically reviewing his writings and statements in hopes of finding new ammunition.

(Ruth Marcus & Al Kamen, Washington Post, A1)

Pro-Abortion Groups Rally Troops For Assault On Bork

Pro-abortion groups, led by Planned Parenthood Federation of America, have mounted a major effort to block Senate confirmation of Judge Robert Bork....

"We urge all Americans to make their views known to their senators and, in particular, to the members of the Senate Judiciary Committee," said Planned Parenthood president Faye Wattleton in a call-to-arms.

(George Archibald, Washington Times, A1)

Is Senate Rejection For Ideology Proper?

The forthcoming battle over the nomination of Robert Bork to the Supreme Court will focus on an issue that has been often debated but never finally resolved: Should the Senate reject a judicial choice solely because of ideology?

The Bork fight -- which already has begun in the Senate although confirmation hearings are not expected to begin until September -- may at last force the current Senate to decide the issue.

Because Bork's vote could reverse the balance of power on the Court on may of the most contentious issue of the day, both the Administration and a host of major Democratic constituency groups opposing Bork plan all-out efforts.

With two Democratic members of the Senate Judiciary Committee -- Joseph Biden and Paul Simon -- running for their party's presidential nomination, the political pressures will be even more intense.

(David Lauter, Los Angeles Times, A1)

Senate Panel Prepares For Hearings On Bork

The Senate Judiciary Committee began preparations for a protracted battle over the nomination of U.S. Appeals Court Judge Robert Bork to the Supreme Court amid clear signs that his potential impact on the court's ideological "balance" will be the focal point of a liberal Democratic assault on the nomination.

Sen. Howard Metzenbaum said he does not question Bork's "professional qualification," but added, "That doesn't mean he's qualified to be the swing vote on the Supreme Court."

With the possible exception of Sen. Arlen Specter, the Judiciary Committee's six Republicans appear all but certain to line up behind the Bork nomination. The committee's eight Democrats are dominated by liberals such as Biden and Sen. Edward Kennedy, making the more conservative Sens. Dennis DeConcini and Howell Heflin the key swing votes.

(Edward Walsh, Washington Post, A4)

Dole Predicts Confirmation For Bork

U.S. Senate Minority Leader Robert Dole said that Robert Bork, President Reagan's controversial Supreme Court nominee, has impeccable conservative credentials and predicted that he will be confirmed with bipartisan support in the Senate.

"I think there will be and should be heavy scrutiny of any Supreme Court nominee," Dole told a press conference at Minneapolis-St. Paul International Airport....

"But I don't believe he should be rejected because of his philosophy," Dole said, adding that he shares Bork's belief in a strict construction of the Constitution, "and I think most Americans do."

He drew laughter and applause from about 100 greeters at the airport when he said: "Just because Ted Kennedy doesn't like the nominee doesn't mean he ought to be rejected. As far as I know, Ted Kennedy didn't get elected president. Ronald Reagan did, and Ronald Reagan makes the appointments."

(Betty Wilson, Scripps Howard)

Baker Sees Tough Fight Over Bork But Says He Didn't Oppose Choice

Officials close to White House Chief of Staff Howard Baker said that he had had some doubts about nominating Robert Bork to the Supreme Court, but Baker himself said it was President Reagan's decision and that he had no objection.

"I'm here for a single purpose -- to make sure the President's staff performs well and supports his wishes," Baker said in an interview today. "His wish was to appoint Bork, and had I had a violent objection to it, I would have told him so."

Still, other White House officials seemed to put some distance between Baker and the decision to nominate Bork, which is creating a major confrontation with Congress.

The chief of staff indicated that he played little role in the actual selection of Judge Bork. "All these folks who claim it was Meese's decision or Baker's decision or somebody else's decision are wrong," Baker said. "It was Ronald Reagan's decision." (New York Times, A9)

Bork May Affect '88 Campaign; Nomination Offers Democrats Chance To Define Party's Values

HOUSTON -- In their first debate, seven Democratic presidential candidates talked about trade, taxes and deficits. But the chances that any one of them will make it to the White house in 1989 could have as

much to do with a question not asked: Should U.S. Appeals Court Judge Robert Bork be confirmed to serve on the Supreme Court?

For the Democrats, the Bork confirmation battle is an opportunity to define the party's core values. Their most prominent interest groups have noisily joined the fray; the candidates aren't far behind. "This is the sort of fight that reduces everything to the bare essentials," said William Carrick, campaign manager for Rep. Richard Gephardt. "This is what being a Democrat is all about. We can't go into the tank on this one."

(News Analysis, Paul Taylor & Dan Balz, Washington Post, A4)

Confirmation Row May Benefit GOP

The partisan battle over appellate Judge Robert Bork's nomination to the Supreme Court could wind up hurting Democrats and helping Republicans in the 1988 election, political observers in both parties said.

[The social issues of affirmative action, abortion, AIDS testing, homosexual rights, school prayer and tuition tax credits], conspicuously avoided by seven of the Democratic presidential hopefuls in a nationally televised debate Wednesday night, are the "Achilles Heel" of the party, a phrase used by Stuart Eizenstat, former President Jimmy Carter's chief domestic adviser and other Democratic analysts.

"The nomination of Bork, whether or not he is confirmed, elevates those issues and makes them more passionate for the electorate," Eizenstat said. "And that is a significant accomplishment for the Reagan Administration."

(Ralph Hallow, Washington Times, A1)

Ideology As Court Issue; Political Consequences Are Uncertain

In choosing ideology as the battlefield for the confirmation of Robert Bork, Senate Democrats have expanded a highly charged contest over the direction of the Supreme Court into a fight with high stakes for the party.

If the premise of the Senate debate is that the addition of Robert Bork to the Supreme Court will profoundly alter the course of constitutional law, then the vote on the nomination inevitably becomes something much more than a vote on Robert Bork. It becomes a referendum on the very issues that make senators most uncomfortable: abortion, affirmative action, questions of church and state, all the legislative genies that the Reagan revolution let out of the bottle in the early 1980s and that the Senate, in the interest of getting on with its work, has more or less managed in the last several years to bottle up once again. (News Analysis, Linda Greenhouse, New York Times, A1)

PARTNERSHIP OMITTED ON '85 LIST BY MEESE
Senator Hits Ethics Unit's 'Casual Approach'

Attorney General Meese failed to list his partnership with a former official of the Wedtech Corp. in a 1985 list of possible subordinates the day after he made the investment, Sen. Carl Levin disclosed.

Levin said he was "very disturbed" by Meese's handling of the matter and by "the casual, almost negligent approach of the Office of Government Ethics" to Meese's lapses.

Justice Department spokesman Patrick Korten denied any lapses on Meese's part. "What Carl Levin is doing is making a very enormous political mountain out of a very small anthill," Korten declared.

(George Lardner & Mary Thornton, Washington Post, A3)

Meese Criticized For Failure To Report Financial Ties

Attorney General Meese faces new criticism from Congress because he neglected, apparently for more than a year, to disclose his financial ties to a businessman now involved in the Wedtech scandal.

Sen. Carl Levin is scheduling a congressional hearing for next Thursday to look into, among other things, a May 24, 1985, memo by Meese on his own finances in which he failed to mention that on the previous day he had invested \$60,000 with W. Franklyn Chinn.

(Pete Yost, AP)

HHS SECRETARY FIRES ABORTION OPPONENT FOR INSUBORDINATION

Jo Ann Gasper, deputy assistant secretary of health and human services for population affairs, was dismissed for insubordination in a dispute over abortion and the \$142.5 million federal family planning program.

Behind her ouster -- which was based on her refusal to renew two grants to Planned Parenthood groups despite direct orders from her superior -- was a dispute over her efforts to tighten antiabortion restrictions to a degree exceeding what HHS officials believed permissible without a change in the law. (Spencer Rich, Washington Post, A23)

FIVE-YEAR OFFSHORE LEASING PLAN BECOMES FINAL

The Administration's new five-year offshore oil leasing plan, touted as an energy security booster and condemned as an environmental threat, took effect still facing likely challenges in Congress.

A 60-day congressional review period expired quietly, and Interior Secretary Hodel announced the plan was final and in effect.

(Chris Chrystal, UPI)

ADMINISTRATION AFFIRMS SUPPORT FOR GLOBAL CURBS TO PROTECT OZONE

The Reagan Administration, rejecting the controversial suggestion of sunglasses and tanning lotion as protection against ultraviolet radiation, has decided to maintain its call for strong international controls on chlorofluorocarbons to protect the Earth's ozone, officials said.

At an international meeting earlier this week in Brussels, U.S. negotiators reaffirmed support for a tentative agreement among 31 nations to freeze production of chlorofluorocarbons at current levels and cut their use by 20 percent over the next decade, officials said.

(Washington Post, A28)

LAROCHE INDICTED IN CONSPIRACY

Justice Dept. Alleges Va.-Based Extremist Tried To Scuttle Probe

A federal grand jury in Boston has indicted political extremist Lyndon LaRouche on a charge of conspiracy to obstruct justice in the latest round of indictments against his Leesburg [Va.]-based organization.

The indictment...is the first criminal charge ever against LaRouche.

Authorities charged him for what prosecutors have said was his group's "flagrant" defiance of law in trying to scuttle a federal probe of alleged financial frauds by fundraisers for his 1984 presidential campaign.

(John Mintz, Washington Post, A1)

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INTERNATIONAL NEWS

RABIN: SOVIETS OFFER TO HELP SETTLE IRAN-IRAQ WAR

The Soviet Union offered to help settle the Persian Gulf war between Iran and Iraq with a peace conference in Moscow, but Iran refused to participate, Israeli Defense Minister Yitzhak Rabin says.

"The Iranians refused," Rabin said. "Their demand is the head of Saddam Hussein," the Iraqi president. Iraq, meanwhile, realizes it cannot defeat Iran, and would end the 7-year-old conflict under pre-war conditions, Rabin said.

State Department spokeswoman Phyllis Oakley refused to say whether Rabin's report on the Soviet peace offer came as a surprise. Another U.S. official, who demanded anonymity, said, "I've been told there was an offer and that the Russians were also pushing a cease-fire in the (Persian) Gulf." (AP)

Soviet Bid To Host Gulf Peace Talks Disclosed

Israeli Defense Minister Yitzhak Rabin surprised State Department officials by disclosing that Moscow had offered to host a Persian Gulf peace conference to help Iran and Iraq end their almost seven-year war.

"We know nothing about it," said one State Department official.

Rabin said the Iranians rejected the Soviet proposal but gave [Soviet First Deputy Foreign Minister Yuli] Vorontsov the "red-carpet treatment" during his visit to Tehran.

Rabin said the Soviet Union was the only power that could achieve an end to the Gulf War because of its military clout and its ability to talk to both belligerents. The Soviet Union is one of Iraq's main arms suppliers, and Soviet arms reach Iran through some of Moscow's allies such as North Korea.

"Rabin is right," said a State Department official. "We've got to find a way to talk to the Iranians. We fundamentally don't know what to do about Iran; it's a tough problem."

(Martin Sieff & James Dorsey, Washington Times, A8)

Soviet Proposes Talks In Gulf War But Iran Is Reported To Reject Call

The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year-old war, but Iranian officials have rejected the idea, Administration and Western diplomats said.

Nevertheless, the proposal...has caused concern among American officials, who say they fear it could draw attention away from an American-led initiative at the U.N.

These officials also portray the move as part of a larger Soviet strategy to gain favor with Iran and expand influence in the Middle East in an attempt to prove that Moscow can play a role in resolving the Arab-Israeli conflict. (Elaine Sciolino, New York Times, A6)

WALTERS REPORTS PROGRESS IN MOSCOW TALKS ON GULF
Two Powers Back Cease-Fire, May Differ On Sanctions

MOSCOW -- U.S. special envoy Vernon Walters declared success in the first round of his mission to end the seven-year-old Iran-Iraq war, saying that the U.S. "can count on" Moscow's vote for a U.N. resolution demanding a cease-fire.

Following a day of talks with senior Soviet Foreign Ministry officials, Walters said that the Soviet Union and other key U.N. countries have shown "a greater desire to be successful on this particular issue than I have found in any of the previous discussions I have had before."

But Walters, in a press conference at the American Embassy, hinted at disagreements over a second U.S.-backed resolution that would impose mandatory sanctions, including an arms embargo, on whichever country refused to comply with a U.N.-ordered cease-fire.

(Gary Lee, Washington Post, A34)

NO U.S. MINESWEEPING HELICOPTERS TO
PERSIAN GULF WHILE SAUDIS SEEK ARAB AID

The Reagan Administration is postponing plans to dispatch helicopters to Kuwait while Saudi Arabia tries to marshal an Arab flotilla to handle mines apparently laid by Iran in the Persian Gulf, Pentagon sources say.

Those plans were delayed because Saudi Arabia has four U.S.-made minesweepers and is "trying to organize a force from the other Persian Gulf states, rather than introduce a lot more U.S. or Western equipment," on Pentagon source said.

(Bryan Brumley, AP)

SYRIA KEEPS DENOUNCING U.S. DESPITE MOVES TO END STRAINS

BEIRUT -- Syria is keeping up a war of words against the U.S. despite recent moves at ending the strains between the two nations.

Attacks on the Reagan Administration and its policies are made daily by the state-controlled press and Damascus radio, which is clearly heard here. The Syrian press has made no mention of recent conciliatory exchanges between President Hafez al-Assad and President Reagan.

(Ihsan Hijazi, New York Times, A6)

LACK OF PROGRESS AT GENEVA SAID TO PERIL SHEVARDNADZE VISIT

MOSCOW -- A Soviet Foreign Ministry spokesman said lack of progress at the Geneva arms talks jeopardized the planned meeting of Foreign Minister Eduard Shevardnadze and Secretary Shultz, scheduled to take place in Washington this month.

Citing "slow headway" in Geneva arms control talks, Foreign Ministry spokesman Boris Pyadyshev said at a news conference, "If there is no progress at the negotiations, why should the Soviet minister go to Washington?"

(Gary Lee, Washington Post, A34)

Soviet Denies Making Offer On Missiles

MOSCOW -- The Soviet Foreign Ministry denied a report that a Soviet official had informally offered a compromise proposal on the issues holding up an arms-control agreement on medium- and shorter-range missiles.

In denying a dispatch from Washington in The New York Times on Wednesday, the Foreign Ministry accused the U.S. of painting "an unjustifiably radiant picture" of progress in the arms negotiations.

(Bill Keller, New York Times, A3)

CARTER: MISSILES AGREEMENT COULD COME BY 1989

MOSCOW -- Former President Jimmy Carter told reporters that the U.S. and the Soviet Union are capable of achieving an agreement to reduce medium-range missiles before President Reagan leaves office.

A day after holding a 1½-hour meeting with Soviet leader Gorbachev, Carter said, "My own belief is that negotiators are near enough to conclude such a treaty in time for it to be ratified during President Reagan's term in office."

(Washington Post, A34)

SIXTH MARINE CHARGED IN SECRETS-FOR-SEX PROBE

The Marine Corps, which has encountered difficulty in proving charges against members of its U.S. Embassy detachment in Moscow, said another former member of the unit has been charged with copying classified U.S. documents in Switzerland and forwarding them to a private residence in a Chicago suburb.

Sgt. Kenneth Kelliher, 32, of Hinsdale, Ill., became the sixth person charged in a widespread military investigation into allegations that the Moscow guards traded secrets for sex with Soviet women.

Kelliher, accused of copying the documents at the U.S. Embassy in Bern, was also charged with failing to report three contacts with Soviet women while stationed in Moscow from September 1984 until March 1986.

(Bill McAllister, Washington Post, A20)

WHITE HOUSE TO HIRE LOEFFLER AS LOBBYIST FOR AID TO CONTRAS

The Reagan Administration is expected to hire former Rep. Tom Loeffler to lead White House efforts to win from Congress renewed aid for the Nicaraguan resistance, a senior official said.

Loeffler, 40, a four-term Republican from Texas, would coordinate lobbying on a bill President Reagan plans to send to Congress in September that would provide \$120 million to \$140 million in contra aid for fiscal 1988, the official said.

"The vote (on contra aid) will come in late September, and it's going to be tough," the official said. "We're going to be fighting for 30 votes when the time comes. He knows who we've got to work with, and the Administration has to give them some real leadership."

(Jeremiah O'Leary, Washington Times, A3)

JAPAN VOWS NONINTERFERENCE IN U.S. DRIVE TO BAR TOSHIBA

TOKYO -- The Japanese government said it wouldn't interfere with a proposed U.S. import ban on Toshiba Corp. stemming from that company's sale of sensitive technology to the Soviet Union.

Japanese officials also vowed to take steps to prevent any further violations of rules controlling exports to communist countries.

In a regular Foreign Ministry briefing, Yukio Okamoto, director of the National Security Affairs Division, said "there is a very, very strong feeling and recognition" within the Japanese government that "we should never allow these things to happen again." (Washington Post, G3)

SHULTZ, CANADIAN FOREIGN MINISTER CLARK VOICE OPTIMISM FOR CUTTING TARIFFS

DETROIT -- Secretary Shultz and Canadian Foreign Minister Joe Clark voiced optimism for a new pact cutting tariffs between their countries but warned of tough bargaining ahead.

"Success is not assured, but we are optimistic that we will be able to conclude a draft agreement which advances the economic interests of both sides and present it for congressional and parliamentary review in early October," Shultz told the Economic Club of Detroit.

(Sabah Fakhoury, UPI)

RABIN SEEKS CONCESSIONS IF LAVI BOMBER CANCELED

Israeli Defense Minister Yitzhak Rabin has asked for a multi-million package of concessions from the U.S. in exchange for canceling the costly Lavi fighter-bomber, Pentagon officials said.

Secretary Weinberger listened "sympathetically" to Rabin during an hour-long "cordial discussion" at the Pentagon Wednesday and expressed his willingness to help Israel offset losses if the costly Lavi project is canceled, the officials said.

But Weinberger turned down Rabin's request to increase the \$1.8 billion Israel receives annually in U.S. military aid as one means of compensating the Jewish state for giving up the Lavi, officials said.

(Richard Gross, UPI)

PANAMA MINISTER APOLOGIZED FOR ATTACKS ON U.S. MISSIONS

PANAMA CITY, Panama -- Foreign Minister Jorge Abadia Arias promised to pay damages for mob attacks on U.S. diplomatic building here as protest against the military-dominated government continued for the second straight day.

A mob of government supporters attacked U.S. diplomatic buildings here Tuesday including the embassy and consulate, and in a conciliatory statement, Abadia apologized and referred to the U.S. as a friend and "historical partner of Panama."

(Tom Brown, Reuter)

NETWORK NEWS SUMMARY

(Thursday Evening, July 2)

SUPREME COURT

NBC's Tom Brokaw: The fight to get Robert H. Bork confirmed as President Reagan's latest appointment to the Supreme Court may be more difficult than what the White House had calculated. Bork's opponents know that his confirmation could dramatically shift the direction of the Court, so they are digging in.

NBC's Carl Stern: Today in Washington, as partisans on both sides began grinding out letters and literature on whether the Senate should confirm Bork, it became increasingly apparent that it could be a cliffhanger. A conservative strategist acknowledged that it could be so close that the White House won't have the votes to prevent an anti-Bork filibuster.

(Patrick McGuigan: "Well, our enemies in this battle use obstructionist tactics. If they do, there's the chance they'll be able to delay this for awhile.")

...Liberal groups believe Bork can be defeated.

(Nan Aron, Alliance for Justice: "We're hearing from people all over the country. They're shocked, they're outraged and they're ready to be mobilized.")

(John Buchanan, People for the American Way: "We're going to try to get the Senate to stand up for the rights and the liberties of American citizens opposing this nomination.")

Conservatives intend to work just as hard.

(Phyllis Schlafly: "We will tell the Democrats that the American people do not appreciate their playing politics over this nomination.")

(Attorney General Meese: "Judge Bork is certainly eminently qualified and should be confirmed promptly.")

...Consumer activist Ralph Nader, who rarely gets into partisan political debate, today said he's going to work for Bork's defeat and explained why.

(Nader: "Because Mr. Bork has a judicial philosophy that favors big government when it acts against ordinary consumers, taxpayers and citizens.")

As of this afternoon, Senate nose-counters said neither side has enough votes to win, with 1/4 of the senators unsure which way to vote.
(NBC-4)

CBS's Dan Rather: More indications today of just how serious the opposition and how long the debate over Robert Bork will be.... There's increasing talk of a possible filibuster. Bork himself, while in the center of the fray today, tried to stay above it. Asked about criticisms that he would turn back the clock on social and civil rights issues, Bork said only, "I read the papers."
(CBS-5)

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ILLEGAL IMMIGRANTS/BOXCAR DEATHS

Brokaw: The dreams of 18 illegal aliens from Mexico, their dreams of work and a new life in the U.S., came to a gruesome end in a stifling hot boxcar in South Texas. They died in the 120-degree heat, apparently of dehydration.... It was a smuggling operation gone terribly wrong. Border patrol officers said only one man in the boxcar survived.... Apparently the smugglers locked the doors after the men, most of them in their 20s and 30s, were herded into the car late yesterday afternoon near El Paso, Texas. Officials said the boxcar was delayed on a siding by mechanical troubles last night, so if there were a plan for someone to open the car at a destination, the boxcar never arrived....

CBS's Terry Drinkwater reports immigration officials say border arrests are on the rise. They had hoped the new amnesty law would stem the tide. Over the years, many others -- no one knows how many -- have died being smuggled across the vast stretches of hot desert.

(ABC-4 & 11, CBS-Lead, NBC-Lead)

IMMIGRATION LAW

CBS's David Dow reports Mexican farm workers no longer have to prove they qualify for amnesty under the new immigration law before entering the U.S. The new one-stop immigration service is the latest in a series of concessions to Western growers, who helped write the new law but insisted it was being applied too rigidly. The fear: that California's \$14 billion harvest -- the nation's largest -- could go the way of Oregon's, where homeless were drafted to make up for a shortage of migrant workers. In a recent teleconference with California congressmen, some in the farm industry warned that without changes, disaster was imminent. Some, including labor unions, insist the claims were deliberately exaggerated. Immigration officials suggested recently that growers are having a problem getting adjusted to the new law. And in other industries claiming labor shortages, there is a mixture of envy and bitterness at the concessions to agriculture. Having won at politics, the growers must now win the hearts and minds of Mexican workers still confused about the new American law. Though hundreds have flocked to the border seeking amnesty application forms, fewer than 20 have actually filed them.

(CBS-2)

LAROCHE

ABC's Peter Jennings: We begin this evening with the indictment of the political extremist Lyndon LaRouche.... He has been indicted on charges of conspiracy to obstruct justice.

ABC's Dennis Troute reports the government charges LaRouche and his deputies conspired to destroy records and move witnesses after the government began investigating the LaRouche organization on charges of credit card fraud.

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

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EMBASSY SECURITY

Jennings reports the Pentagon announced it is bringing new charges against yet another Marine for what officials insist is still a sex and spy scandal at various embassies overseas.

ABC's Bob Zelnick reports another Marine embassy guard in Moscow has been charged with failing to report contact with a Soviet woman and he is charged with permitting her to send and receive illicit material through the embassy mail, black marketing and illegally appropriating an embassy car. He is also charged with making a false statement under oath. (CBS-3, ABC-2)

EMPLOYMENT

Brokaw reports the nation's unemployment rate fell to 6.1% last month, the lowest level since 1979. The Labor Department says the major reason is that fewer teenagers are seeking summer jobs. (NBC-11)

ABC's Stephen Aug reports there are not as many teenagers back at work this year, and while nobody knows for certain why, that's the main reason for the drop in the unemployment rate. Women were another reason for the lower jobless rate. Their unemployment rate fell 0.2%. But there continued to be wide disparities. Unemployment among whites is 5.2%, but it's 12.7% among blacks. And geographically. In Texas, where the oil and gas industry remains in its own depression, unemployment's running 8.6%. But in Massachusetts, with a high-technology boom, the rate's only 3.2%. But nationally it's not all rosy. Job growth has slowed down the past two months and there are still 13.5 million Americans who have only a part time job or no job at all. (ABC-5)

Rather: ...That is the lowest jobless rate of the Reagan presidency. But the report noted its June survey was taken unusually early this year, indicating many teenagers were still in school instead of out looking for jobs. (CBS-6)

BOESKY

Brokaw says the Boston Globe reported today that Ivan Boesky has hidden more than \$160 million in personal wealth from the government in a series of maneuvers. According to the Globe, some of the money may have included illegal profits from his insider trading deals. (NBC-3)

AIDS/MICHAEL BENNETT

Jennings reports Michael Bennett, the choreographer, died of an AIDS-related cancer at his home in Arizona. He was 44.

ABC's Beth Nissenson reports on the large number of people in the arts who are dying of AIDS. (CBS-15, ABC-8)

IRAN-IRAQ WAR

Brokaw reports Ambassador Walters met with Soviet officials in Moscow on the Iran-Iraq war and he reported great understanding and a cooperative spirit on the Soviet side.

Meanwhile in Washington, Israeli Defense Minister Rabin disclosed that the Soviets now have offered to hold a peace conference in Moscow to try to settle the Persian Gulf war.

And former President Carter, who is in Moscow, has been talking with Soviet officials -- including General Secretary Gorbachev -- about the Iran-Iraq war as well.

Brokaw discusses the Iran-Iraq war with President Carter, asking whether he thinks the Soviets are sincere in wanting to end that war:

Carter: I think they are sincere in wanting to see an end to the war between Iran and Iraq.... The obstacle, everybody agrees, is the fanaticism of the Ayatollah Khomeini, who has sworn an oath before God that he will never stop this war no matter what happens until he is able to overthrow the existing government under Saddam Hussein in Iraq. And that's at this time a hopeless proposition. (NBC-5)

LINNAS

Brokaw says TASS reported Karl Linnas has died of heart failure.
(ABC-3, CBS-16, NBC-6)

HAITI

Brokaw reports an increasingly violent political storm is raging in Haiti. Since Monday, 10 have been killed and 56 wounded in protest against the Namphy regime.

NBC's Peter Kent reports from Haiti that the cry across that country is, "Down with Namphy." Haitians are furious with the government decree that takes control of upcoming elections away from the people in direct defiance of the country's three-month-old constitution. The army dispersed protesters with live ammunition, but in the presence of a growing international press corps the army was somewhat more restrained. The message from the barricades this week is clear: Haitians are willing to fight for their new constitution. They don't want another election manipulated by the military. In a nationwide TV address, Gen. Namphy blamed anarchists for the unrest. But with spreading protest and strong words from the U.S. State Department -- which controls \$100 million of aid to Haiti -- the General's ruling council is meeting with the civilian electoral committee to discuss who will supervise the approaching elections.

(CBS-10, NBC-9)

NBC's John Chancellor comments on the differences between the situations in Haiti, Korea and the Philippines. (NBC-10)

DEATH PENALTY

ABC's Al Dale reports from Louisiana -- where on a per capita basis they have carried out more executions lately than any other state -- on the debate over the death penalty there. (ABC-10)

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DEMOCRATIC CANDIDATES

ABC's Jim Wooten reports from Houston, Texas on a debate between the Democratic presidential candidates. But with almost nothing to debate among themselves, they spent most of the evening bashing the Republican whose got the job they'd all like to have.

(Rep. Gephardt: "America is awash in debt, and the world's awash in debt because of the Reagan economic policies of the last seven years.")

(Gov. Dukakis: "What we're doing in Nicaragua is illegal. It's a violation of law.")

(Sen. Gore: "I believe that the fundamental thrust of the SDI program is profoundly mistaken.")

For them, Ronald Reagan is the problem and they are the solution.

(Gov. Babbitt: "Last week I heard the President reading from that Teleprompter, and he said, 'The country's in better shape than ever. There's less unemployment, more real income, more family income.' And I thought, he must be talking about Japan.")

(Rev. Jackson: "Mr. Reagan will be gone, but Reaganomics must leave no matter who the president may be.")

One thing they didn't all agree on was how to balance the budget.

(Sen. Simon: "We massively overhauled the tax code and did not one thing on the deficit. It just doesn't make sense.")

(Sen. Biden: "If we raise enough taxes to eliminate the deficit, we put this country in the next two years in a depression.")

(CBS-17, ABC-9)

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EDITORIALS/COLUMNISTS

SUPREME COURT

The Inevitability of Robert Bork -- "Though liberals are gearing up for a fight and a number of Democratic presidential candidates, including Illinois Sen. Paul Simon, will have key roles in the process, it will be difficult for anyone to find a reason for the Senate not to confirm Judge Bork. The principal objection to him is that he is a judicial conservative, which is not an appropriate reason. His views are well within the mainstream of American jurisprudence; in fact, as a scholar and judge he has helped shape legal thinking in many fields, including constitutional law."

(Chicago Tribune, 7/2)

Bork for the High Court -- "Senators who don't like Bork's politics are entitled to their opinions. But unless they seriously question his competence, or uncover a failure of integrity or candor in the course of his confirmation hearings, they should keep their opinions out of it. Robert Bork's legal credentials are as good as they come. The Senate should vote to confirm him."

(New York Daily News, 7/2)

Hard-Right Rudder -- "The country would have been better served by a nominee more like Justice Powell, who had few ideological commitments but who weighed each case on the facts before him and tried to decide what was right."

(Los Angeles Times, 7/2)

The Bork Nomination -- "The Sun opposes many positions with which Judge Bork is identified. We favor abortion rights, oppose the death penalty, support the exclusionary rule against the use of illegally obtained evidence in criminal cases and believe the high tribunal must indeed reflect 'the intellectual winds of the general society.' But while we dislike some of Judge Bork's opinions, we defend the President's right to nominate a highly qualified jurist who shares his conservative views. The Senate ought to give Judge Bork a fair and judicious hearing...."

(Baltimore Sun, 7/2)

U.S. Senate's Prodigious Task -- "President Reagan is eager to get his third justice on the Supreme Court, and the start of the court's next term, in October, provides a seemingly natural deadline for confirmation. But the Senate's task, one of singular importance, is utterly incompatible with speed."

(Hartford Courant, 7/2)

The Case of Biden v. Bork -- "If Biden does oppose Bork, his behavior, and that of any senators who follow him, will mark a new stage in the descent of liberalism into cynicism, an attempt to fill a void of principle with a raw assertion of power.... Biden says there should not be 'six or seven or eight or even five Borks.' The good news for Biden is there is only one Bork. The bad news for Biden is that the one will be more than a match for Biden in a confirmation process that will be easy."

(George Will, New York Daily News, 7/2)

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