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News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, JULY 10, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

IRAN-NICARAGUA

North Shredded Documents Under Nose Of Justice Dept. Officials -- Oliver North told Congress he shredded dozens of White House documents under the noses of two Justice Department officials engaged in a preliminary probe of the Iran-contra scandal. (Baltimore Sun, Los Angeles Times, New York Times, USA Today, Wall Street Journal, Washington Post, AP, Copley, Reuter)

NATIONAL NEWS

Meese Says He Has Complied With Financial Disclosure Law -- Attorney General Meese said he has fully disclosed financial transactions with a man associated with the Wedtech Corp. even though the government's ethics chief and a senator say he has not fully complied with an ethics law. (Los Angeles Times, New York Times, USA Today, Reuter, UPI)

INTERNATIONAL NEWS

U.S. Bars Retaliation For Tanker Attack, Presses Gulf Policy -- The White House has ruled out retaliation for an Iranian attack on a U.S.-operated supertankers flying a Liberian flag and reaffirmed that 11 Kuwaiti tankers will be protected. (Washington Post, Reuter)

NETWORK NEWS (Thursday Evening)

IRAN-CONTRA -- Oliver North said CIA Director Casey told him to shred documents to protect the contra fund diversion last November.

PERSIAN GULF/IRANIAN ATTACK -- A U.S. supertanker was attacked by an Iranian gunboat in the Persian Gulf.

MEESE -- Attorney General Meese was on Capitol Hill answering questions about his personal financial arrangements.

Games Soviets play

Apparently the Soviets are learning the joys of personal computing. A member of the Soviet Embassy staff was in a computer store in Northern Virginia the other day, using his tax-exempt card to buy a computer game for an IBM PC. The game? "Spyhunter."

The Washington Times

WEDNESDAY, JULY 8, 1987

IRAN — NICARAGUA

PLAN CAST NORTH AS SCAPEGOAT FOR IRAN AFFAIR, HE TELLS HILL

Oliver North testified that he was part of Administration "fall-guy plan" in which he was to be the "scapegoat" shielding President Reagan and other high officials from the political and international repercussions of the covert Iran-contra operations that he managed.

The plan, which North and then-CIA Director William Casey drew up, called for North...to run secret operations from the White House -- without the knowledge or approval of Congress -- and to "take the hit" if those operations became public.

However, under questioning by Senate chief counsel Arthur Liman, North said he had changed his mind about remaining silent regarding the participation of top officials when Attorney General Meese made him the principal target of a criminal investigation.

...North again made an impassioned statement of his willingness to make sacrifices for Reagan, his commander-in-chief. Yet in an unprompted disclosure, he said that he had reviewed with Casey, Reagan's close friend and adviser, a memorandum intended for the President's approval, which contained a reference to the controversial diversion of proceeds from U.S.-Iran arms sales to the Nicaraguan rebels in February 1986.

(Walter Pincus, Washington Post, A1)

North Said Thoughts About Serving As A Political Scapegoat Changed When He Became A Target Of A Criminal Investigation

Oliver North, likening himself to the shields that guarded Roman centurions, testified that he was willing to serve as the Reagan Administration's political scapegoat in the Iran-contra affair but that his attitude changed dramatically once he became the target of a criminal investigation.

"There was probably not another person on the planet Earth as shocked as I was to hear that someone thought it was criminal," North [said] in recounting his reaction to Attorney General Meese's Nov. 25 press conference disclosing that Iranian arms sales had been diverted to the contra rebels and announcing North's dismissal from his post as a National Security Council aide.

(Finlay Lewis, Copley)

North Says Casey Suggested Ex-Aide Poindexter Take 'Fall' To Shield Reagan

Oliver North testified that former CIA Director William Casey sought to protect President Reagan by having North and his superior, Rear Adm. John Poindexter, take "the fall" for the Iran-contra scandal.

North said he offered to take the blame himself, but Casey argued that Poindexter, then the national security adviser, needed to be "hit" as well to give the Administration a "credible" defense. "He was concerned that the President not be damaged...and I shared that belief," [North] testified. "He quite frankly did not think I was senior enough to do that...and suggested that it was probably going up the line."

(David Rogers & John Walcott, Wall Street Journal, A3)

North Says He Shredded Even As Investigators Searched Nearby

Oliver North testified that he shredded evidence as part of a long-planned cover-up of his role in the Iran-contra affair even as investigators from the attorney general were searching his office 10 feet away last November.

The Justice Department disputed his account. [Spokesman Terry Eastland] said, "I have talked with both John Richardson and William Bradford Reynolds in detail about that Saturday morning, and it is their firm recollection that at no time did Oliver North shred any documents or turn on the shredding machine,"

[North] also boasted he was the "fix-it Ollie" who got sensitive jobs done and said the plan was that he would "take the hit" to shield President Reagan if the Iran-contra dealings were revealed.

"For whom were you going to be the scapegoat?" asked Senate chief counsel Arthur Liman.

"For whomever necessary," North replied. "For the Administration, for the President."
(Harry Rosenthal, AP)

North Cites Shredding In Probers' Presence

Even as Justice Department investigators were combing his records only a few feet away last November, Oliver North continued methodically shredding the documents that could have provided the blueprint of his secret projects at the White House, North told congressional investigators.

"They were working on their projects," North said dryly, "I was working on mine."

North's testimony added to the criticism of the Justice Department's preliminary investigation of the Administration's sale of arms to Iran and military support for Nicaragua's rebels at a time when U.S. government assistance was banned.

...North persisted in his assertion that there was nothing wrong with destroying the sensitive documents.

"That's why the government of the United States gave me a shredder," North said. (Karen Tumulty & Sara Fritz, Los Angeles Times, A1)

North Shredded Documents Under Nose Of Justice Dept. Officials

Oliver North told Congress he shredded dozens of White House documents under the noses of two Justice Department officials engaged in a preliminary probe of the Iran-contra scandal.

"Do you remember shredding documents during the lunch hour on the 22nd when the representatives of the attorney general's office had left for their lunch?" Senate chief counsel Arthur Liman asked North, referring to a visit the officials made to North's office last November 22, three days before he was fired.

"I remember shredding documents when they were in there searching for documents," North said.

Liman shot back: "Shredding them in their presence?"

"Well, I mean they were sitting in my office and the shredder was right outside and I walked out and shredded documents. They could hear it," North said.
(Sue Baker, Reuter)

North Says His Shredding Continued Despite Presence Of Justice Dept. Aides

Oliver North testified that he continued to shred documents in his office one morning in November while Justice Department officials conducting a preliminary investigation for President Reagan worked 10 feet away reviewing other files.

This latest revelation about [North's] shredding raised further doubts about the competence of the Justice Department's preliminary inquiry and led some lawmakers to speculate that the department might have been part of an effort to hide the facts. (David Rosenbaum, New York Times, A1)

Congress Is Accused Of 'Fickle' Policy That Hurts Contras

Oliver North, a witness in the dock, issued a stinging indictment of his congressional inquisitors, accusing them of a "fickle, vacillating... on-again, off-again" Central American policy that amounted to a sellout of the Nicaraguan contras.

North, reading from a prepared statement, also said the hearings of the Iran-contra panel had caused "serious damage" to national security. "Our adversaries laugh at us and our friends recoil in horror," he said.

(Robert Timberg, Baltimore Sun, A1)

A Jaunty Witness Seized The Morning; But Liman Steals Limelight With Afternoon Questioning

The morning was all his, and Oliver North knew it. So, it seems, did the country. Even as North continued his strong self-defense of his Iran-contra role, a room in the Senate Russell Office Building was filling with flowers sent from across the nation, and citizen supporters were literally offering checks for his defense to Capitol guards.

Inside the hearing room, North expounded jauntily on foreign policy, cited constitutional scholars to support his belief that his actions had been legitimate and lectured Congress on the unfairness of its investigation -- all in the same sincere, husky tones that have become familiar to millions this week.

Then it changed. As the morning was North's, the afternoon belonged to Arthur Liman, the litigator from New York who is chief counsel of the Senate select committee. After three hours answering Liman's questions, North's demeanor was transformed. The bravado had become hesitancy; the assured Marine suddenly seemed very alone.

(News Analysis, Haynes Johnson, Washington Post, A1)

Consummate Marine: Grit And Grace

Oliver North, the Marine officer who destroyed evidence and lied to government officials, is fast winning the hearts and minds of many Americans, as 60 million television viewers marvel at his forthright admission for the good of his country and the safety of his family.

Although there are those who see the central figure in the Iran-contra affair as a phony and a throwback to Watergate operative G. Gordon Liddy, most people [interviewed randomly by The Los Angeles Times around the country] seem to regard North as a consummate Marine, with grace and grit under fire, who is taking the heat for higher-ups in government.

(Frank Clifford, Los Angeles Times, A22)

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'Olliemania' Sweeps U.S.

People love "Ollie," the embattled U.S. Marine, a USA Today phone hot line reveals.

-- 52,804 -- the hands-on favorite -- applauded Oliver North as honest, deserving a medal.

-- 1,572 branded him a liar who should be jailed.

-- 2,653 accused him of lying to protect President Reagan.

-- 3,100 believe he's honest, but went too far.

North, at the Iran-contra hearing, showed off a foot-high pile of telegrams he've received -- and thanked people for their support.

(Stephen Stern, USA Today, A1)

Testimony Foreshadows Possible Legal Defense; North Could Contend He Obeyed Orders

In his testimony to Congress this week, Oliver North has foreshadowed his defense against possible criminal charges that might stem from his role in the Iran-contra affair.

The central theme running through three days of testimony is that everything North did while at the National Security Council was authorized by his superiors. In a political arena, that assertion deflects criticism that North was a "loose cannon" inside the Administration. In a legal arena, it suggests that, because he followed orders he considered legal, he did not personally break the law.

(Washington Post, A15)

REAGAN IS 'AWARE' OF NORTH HEARING

President Reagan is "fully aware" of the testimony Oliver North has given on Capitol Hill this week, but he will make no comment about it until the congressional hearings are completed, the President's spokesman, Marlin Fitzwater said.

For the first two days of North's testimony, the White House adopted a policy of determined indifference, saying officials did not have time to watch the televised hearings, and the President has still not found much time to watch his former aide....

But some White House officials feared that Reagan was coming across as too detached from an important event in his presidency. So today, they shifted tactics a bit and portrayed him as interested and informed.

(Steven Roberts, New York Times, A9)

Reagan 'Well Aware Of What's Happening'

President Reagan's chief spokesman, dogged by repeated questions, now asserts his boss is following the Iran-contra hearings "very closely" despite statements that the President is busy with other work.

With the star witness of the congressional hearings called back for a fourth round of questioning today, White House spokesman Marlin Fitzwater assured reporters Reagan is keeping abreast of the testimony even though he is not sitting down to watch the full televised developments in his own worst crisis.

(Helen Thomas, UPI)

NORTH TESTIMONY ON SHULTZ 'PREPOSTEROUS' SAYS SPOKESMAN

Oliver North's suggestion that Secretary Shultz congratulated him for running an illegal supply operation to Nicaraguan contra guerrillas was a preposterous flight of imagination, the State Department said.

"The fact that Colonel North should have made the interpretation of that remark [Shultz' alleged remark 'on what a remarkable job (North) had done in keeping the Nicaraguan resistance alive'] that he seems to have made can only be called preposterous and a wild leap of imagination," State Department spokesman Charles Redman told reporters. (Reuter)

BOREN: CONGRESSIONAL COMMITTEE MEMBERS JUST 'POTTED PALMS'

Sen. David Boren complained that members of the congressional Iran-contra panels have become nothing more than "potted palms" that serve as a backdrop for three days of lawyers' questions.

He said the process by which the panels question witnesses first through direct and cross-examination by staff attorneys, with members of Congress taking their turns last, "has been a mistake."

And he complained that the questioning of Oliver North by chief House counsel John Nields... "was mishandled" and is part of the reason for an outpouring of mail and telephone calls critical of the investigation and supporting North. (Jim Drinkard, AP)

SHAMIR'S SPOKESMAN DENIES TERRORISM AIDE NIR WAS DEMOTED

JERUSALEM -- A spokesman for Prime Minister Yitzhak Shamir denied that Shamir's adviser on terrorism was stripped of his authority for allegedly lying about a meeting with a key figure in the U.S. arms sales to Iran.

"Amiram Nir was not fired or stripped of his functions and is continuing his job as adviser on terrorism," spokesman Avi Pazner said.

But another government aide, who spoke on condition of anonymity, said Nir does not now wield the power he once did. (AP)

EDITOR'S NOTE: "Week Eight Of The Iran-Contra Hearings," appears in The Washington Post, A16.

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NATIONAL NEWS

MEESE SAYS FAILURE TO DISCLOSE TRUST ASSETS WAS INADVERTENT

Attorney General Meese told Congress that his failure to disclose assets in a blind partnership was inadvertent and accused a Democratic senator of distorting the facts for "partisan political purposes."

Meese, appearing before a Senate subcommittee to answer questions about his financial arrangements with a former official of the scandal-plagued Wedtech Corp., said he had nothing to hide and was willing to provide further information to the Office of Government Ethics if required.

Earlier in the day, the top government ethics officer [David Martin, director of the Office of Government Ethics] assumed blame for failing to note that Meese's disclosure of the limited blind partnership on his 1985 form did not meet federal requirements.

On leaving the hearing, Meese said, "Obviously, Sen. [Carl] Levin used this hearing for a partisan, political attack. It was obvious that he had no substance whatsoever. That came out in the questions and the long, detailed, distorted characterizations of the facts that were made."

(Lori Santos, UPI)

Meese Says He Has Complied With Financial Disclosure Law

Attorney General Meese said he has fully disclosed financial transactions with a man associated with the scandal-scarred Wedtech, Corp. even though the government's ethics chief and a senator say he has not fully complied with an ethics law.

During a lengthy and spirited Senate hearing, the nation's top law enforcement officer said he would not further change his 1985 and 1986 financial disclosure forms until told to do so by the Office of Government Ethics.

Earlier in the hearing, David Martin, head of the agency, said Meese still was not in full compliance -- even though he had amended the forms on Monday -- because he had not completely disclosed all aspects of stock transactions in a partnership.

The chairman of the Senate Governmental Affairs subcommittee Sen. Carl Levin said Meese had not fully complied, that the law was clear and that as the nation's top lawyer he should not have to be told to do so.

(Michael Posner, Reuter)

Official: Meese Not In Compliance

Attorney General Meese -- who detailed his investments with an ex-official of the scandal-ridden Wedtech Corp. Monday -- still hasn't complied with ethics rules.

Government Ethics Office chief David Martin told a congressional subcommittee that to comply, Meese will have to amend his financial disclosure form to provide more details.

"Is Meese off the hook because your office didn't catch him?" Sen. Carl Levin asked Martin. To which Martin replied: "No."

(Sam Meddis, USA Today, AA4)

Meese Tells Panel He Didn't Violate U.S. Law On Ethics

Attorney General Meese, testifying for the first time about his involvement with the Wedtech Corp., told a Senate subcommittee that he never violated federal ethics laws. He said his partnership with an investment manager then employed by Wedtech "involved no conflict of interest."

But the panel's chairman, Sen. Carl Levin said that Meese's financial arrangements and his behavior in connection with them gave an unmistakable appearance of impropriety. "Only you know if there's more than that," Levin told the attorney general.

(Clifford May, New York Times, A1)

Levin Assails Meese On Wedtech Probe

Attorney General Meese gave the appearance of a conflict of interest by failing to remove himself sooner from a Justice Department investigation of Wedtech Corp. after investing \$54,500 with an investment adviser linked to the scandal-plagued company, the chairman of a Senate investigating panel charged.

Sen. Carl Levin, chairman of the Senate Governmental Affairs oversight subcommittee, contrasted Meese's actions with a pledge made by the attorney general during his 1985 Senate confirmation hearings to "go over-board to avoid any appearance that might be construed, misconstrued, or misinterpreted or even distorted."

Meese, testifying on financial disclosures he made about the controversial investment, rejected the conflict-of-interest charge, saying his action "would not create an appearance problem to any fair-minded person."

(Ronald Ostrow, Los Angeles Times, A4)

**BAKER URGES NAACP TO BE OPEN ON BORK
Sparring Continues Over Court Nominee**

NEW YORK -- White House Chief of Staff Howard Baker called on the NAACP not to "precipitously oppose" the Supreme Court nomination of conservative Judge Robert Bork before confirmation hearings begin.

Baker's defense of Bork here came as White House officials in Washington and Republicans in the Senate continued sparring with Democrats over Bork's confirmation hearings which Senate Judiciary Committee Chairman Joseph Biden said will begin Sept. 15.

"I ask you today not to judge Robert Bork upon a fragmented record reflected in newspaper clippings," Baker told the [NAACP] delegates. "I ask you to consider the full record and Judge Bork's views as they emerge during the confirmation process."

"As an organization that prides itself on fairness, as individuals who have been victims of prejudice based upon race, I am sure that you understand the importance of allowing all the facts to be put forward in a nonheated or emotional fashion, particularly as the Senate...affords Justice Bork an opportunity to be heard, examined and confirmed," Baker said.

(Washington Post, A3)

White House Chief Of Staff Asks NAACP To Give Bork A Chance

NEW YORK -- White House Chief of Staff Howard Baker asked one of the nation's most powerful civil rights groups not to oppose conservative Supreme Court nominee Robert Bork, declaring that he was an "honorable man."

"I ask you not to commit the power and prestige of this organization to defeating the nomination of an honorable man who has demonstrated so clearly in his own life the power of redemption," Baker told the 78th annual NAACP convention.

Baker was referring to Bork's reversal on a proposed civil rights law that would have barred owners of public accommodations, such as restaurants and hotels, from excluding blacks.

In 1963 he wrote an article assailing the law but said in 1973 that he had been wrong. (Katherine King, Reuter)

Baker Asks NAACP To Hold Its Fire On Bork As Convention Ends

NEW YORK -- White House Chief of Staff Howard Baker walked into the lion's den and asked for a fair hearing for Supreme Court nominee Robert Bork.

Baker asked the NAACP to hold its fire on Bork, a federal appellate judge who has been nominated by President Reagan to fill the Supreme Court vacancy, until after Senate hearings give a full opportunity to examine his record.

Baker's request was a tall order. The convention already had passed an emergency resolution opposing the Bork nomination, and the loudest ovation Baker got came when he acknowledged NAACP opposition.

(Philip Ashford, Scripps Howard)

SENATE LEADERS SEEKING GRAMM-RUDMAN REPAIRS

Democratic and Republican leaders of the Senate said they will jointly push to strengthen the 1985 Gramm-Rudman-Hollings balanced-budget act and, at the same time, move to ease the law's deficit targets when the Senate takes up legislation next week to raise the federal debt ceiling.

Senate Budget Committee Chairman Lawton Chiles and the panel's ranking minority member, Sen. Pete Dominici, announced that their party leaders would seek to pass a new version of the law's automatic budget-cutting mechanism that would trigger across-the-board reductions if Congress and the President do not meet their deficit targets. The original automatic "trigger" in the Gramm-Rudman-Hollings was declared unconstitutional by the Supreme Court last year. (Washington Post, A3)

HOUSE DEMOCRATS SET CLOSED-DOOR TALKS ON TAX INCREASE OPTIONS

House Democrats will meet behind closed doors next week to discuss the ticklish issue of how to raise taxes by \$19 billion next year, as ordered by the just-passed congressional budget plan, House aides said.

"The idea is to see what kind of consensus there is in the House on the new taxes called for in the budget resolution," a House staffer, who asked not to be identified, told Reuter.

The July 14 session, though closed to the public, "will be an open discussion by the members on taxes," meaning that any members of the caucus will be able to take the floor and state his or her views, said Wilson Morris, an aide to House Speaker Jim Wright. (Reuter)

CATASTROPHIC ILLNESS BILL GETS A BOOST

House Democratic leaders cleared the way for approval of the catastrophic-illness insurance bill for Medicare recipients when Reps. Claude Pepper and Edward Roybal agreed that they would not offer their costly long-term home care plan as a floor amendment.

Pepper, in a phone interview, said that in a meeting with Speaker Jim Wright and other leaders he had "agreed I would not offer my amendment, I and Mr. Roybal," but in return, Wright and others had pledged to "find another vehicle for a vote this session" on the Pepper-Roybal proposal.

He said the insurance bill is expected to come before the Rules Committee, which he heads, the week of July 20 to obtain a rule to govern floor procedures, and go to the floor later that week.

(Washington Post, A10)

DEAVER/PERJURY TRIAL

Michael Deaver, his perjury trial scheduled to begin next week, lied to shield himself from ethics charges, protect his lucrative business and hide its true function -- capitalizing on connection to the White House, a special prosecutor said.

Whitney North Seymour, the independent counsel appointed to investigate whether the former White House aide had violated the Ethics in Government Act with his lobbying activities, made the charges in an unusual pre-trial memorandum on the evidence he plans to introduce at Deaver's trial, which begins Monday.

Deaver's attorney, Randall Turk, declined to comment on the accusations but said he may file a response in court next week.

(Lori Santos, UPI)

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INTERNATIONAL NEWS

IRAN ATTACKS U.S.-OWNED SHIP IN GULF

An American-owned oil tanker was attacked by an Iranian gunboat in the Persian Gulf but was not entitled to protection from U.S. warships there because it was flying a Liberian flag, U.S. officials said.

State Department spokesman Charles Redman, apparently seeking to play down the attack, said it seemed to be "yet another in a long series of attacks perpetrated against nonbelligerent and neutral shipping by the Iranians."

He said U.S. warships had not intervened because the [ship] was sailing under a Liberian flag. "U.S. naval forces in the gulf were not responsible for its protection," he said. (Washington Post, A11)

U.S. Bars Retaliation For Tanker Attack, Presses Gulf Policy

The White House has ruled out retaliation for an Iranian attack on a U.S.-operated supertankers flying a Liberian flag and reaffirmed that 11 Kuwaiti tankers re-registered as American ships will be protected.

Spokesman Marlin Fitzwater suggested that the Administration's controversial reflagging plan, which is slated to begin next week, would deter future Iranian attacks on Persian Gulf shipping.

But congressional critics said their concern was heightened by Iran's hit-and-run action against the [ship]. (Gene Gibbons, Reuter)

SENATE KEEPS ALIVE, BUT FAILS TO PASS, PLAN TO DELAY SHIP ESCORTS

The Senate joined the House in signaling opposition to President Reagan's Persian Gulf policy with a 56 to 42 vote that kept alive a proposal to force a 90-day delay of his plan to reflag 11 Kuwaiti tankers and give them U.S. naval protection.

But the Senate stopped short of passing the proposal, as foes of the reflagging operation from both sides of the aisle failed to muster the 60 votes necessary to break a threatened Republican filibuster against the delay measure. (Washington Post, A11)

TRADE BILL GETS PLANT CLOSING ITEM Inclusion By Senate Defies Veto Threat

The Senate defied a veto threat by adding a controversial plant-closing provision to the trade bill, but reversed an earlier move to limit the President's discretion to deny import restraints sought by domestic industries.

On Tuesday the Senate placed limits on presidential authority to refuse to impose restraints to help industries hurt by fairly traded foreign goods. But with little debate and no roll call votes, it adopted two amendments last night that effectively reversed Tuesday's action.

The final approval of the plant closing measure came on a 60 to 40 vote that defeated a Republican effort to kill the measure. The provision requires companies employing more than 100 people to notify their workers and the community if they plan to close a factory. (Washington Post, B1)

Plant Closing Plan Survives In Senate

Union-backed provisions requiring 60-day notice of plant closing and layoffs survived a hard-fought effort to delete them from the Senate's sweeping trade bill.

"The American worker has waited 15 years for this day," Sen. Edward Kennedy declared as the Senate rejected 60 to 40, an effort to drop the plant-closing provisions. Critics said it made a presidential veto likely and thus threatened to torpedo the whole trade bill. (Mike Robinson, AP)

U.S. Says Trade Deficit Down 16 Percent From Peak

The U.S. trade deficit peaked in the third quarter of 1986 and has since dropped by about 16 percent, the trade representative's office said.

The trade office said in a fact sheet released as the Senate debated a trade bill, with portions the Reagan Administration has labeled "protectionist," that exports accounted for about 63 percent of the growth.

The trade office warned senators that "protectionist provisions in any piece of trade legislation would be particularly damaging at a time when exports are growing and the trade balance is improving." (Reuter)

HABIB DENIES WHITE HOUSE TRIED TO DERAIL ARIAS PEACE PLAN

President Reagan's special envoy to Central America, Philip Habib, denied that the White House was trying to derail a regional peace plan sponsored by President Oscar Arias Sanchez of Costa Rica.

Habib told the House Western Affairs subcommittee that the White House supported the plan but sought some changes.

Habib also denied reports he had pressured Salvadoran President Juan Napoleon Duarte to delay a meeting of regional leaders to discuss the plan. The meeting, originally set for June, was recently delayed until August. (Reuter)

U.S. WARNS HAITI NOT TO CHANGE VOTE PLAN

PORT-AU-PRINCE, Haiti -- The U.S. government publicly warned Haiti's military-led government and its political leaders that it will cut off U.S. economic aid if either group permits "a perversion of the democratic process" on the way to an elected government here.

Separate statements by U.S. Deputy Assistant Secretary of State Richard Holwill and Assistant Secretary of State Elliott Abrams emphasized that the U.S. will back the provisional ruling council led by Lt. Gen. Henri Namphy as long as it sticks to its promise to hold elections this year. (Washington Post, A20)

PANAMA'S ANTI-U.S. DRIVE SAID TO FAIL

PANAMA CITY -- A campaign by the top military officer, Gen. Manuel Antonio Noriega, to shore up his embattled political position by stirring Panamanians' anti-American spirits appears to have fallen flat.

A June 26 Senate resolution calling for Noriega to step down pending an independent investigation into accusations against him sparked a two-week round of pro- and anti-Noriega disturbances. Supporters of Noriega, the power behind the government here, accused the U.S. of intervention, a charge usually guaranteed to anger Panamanians still resentful of the 70-year history of U.S. control of the Panama Canal.

But the view heard consistently from Panamanians in capital city streets is that the crisis here is a power struggle between Noriega and his local opponents, with Washington playing only a secondary role.

(Washington Post, A18)

MARCOS COULD BE DETAINED IF COUP ATTEMPTS CONTINUE, U.S. SAYS

The U.S. warned ousted Philippine President Ferdinand Marcos that it would slap him in a cell in a lien detention center if he did not stop trying to overthrow his successor, Corazon Aquino.

"If he takes steps that warrant that outcome, that's where he will end up," State Department legal adviser Abraham Sofaer told a congressional hearing about the plan to further restrain Marcos.

(Carol Giacomo, Reuter)

-End of A-Section-

NETWORK NEWS SUMMARY

(Thursday Evening, July 9, 1987)

IRAN-CONTRA HEARINGS/NORTH'S TESTIMONY

NBC's Tom Brokaw: It was another highly-charged, emotional and mentally exhausting day in the Congressional hearings into the Iran-contra affair and at the end of three days of testimony Lt. Col. Oliver North was still standing by his story that he did nothing illegal and that he has no evidence that the President knew of the diversion of Iran arms sales to the contra. But others close to the President knew a lot.

NBC's John Dancy: The cross examination started with an angry exchange between two tough experienced attorney -- Senate Committee Chief Counsel Arthur Liman and North's lawyer Brendan Sullivan.... Sullivan objected to a hypothetical question from Liman. Committee Chairman Daniel Inouye overruled him.... North disclosed today just how deeply CIA Director Casey was involved in the diversion of funds from the Iran arms sale to the contras.

(North: "I had consulted very carefully with Director Casey and he -- I don't know if approved is the right word. Director Casey was very enthusiastic about the whole program and advocated it.")

North assumed Casey had discussed the diversion with President Reagan. North said he was prepared to cover up for Casey if necessary and did not tell Attorney General Meese, who was investigating the matter, that Casey was involved.

(North: "It had always been part of the plan that Director Casey would know nothing of the support to the Nicaraguan resistance.")

North also said as part of the plan, he, North, was suppose to be the scapegoat.

(North: "For whoever necessary -- for the Administration -- for the President -- for however high up the chain that they needed someone to say, 'That's the guy that did it. And he's gone and now we put that behind us and let's get on with other things.'")

Liman: "And so the fall guy plan was -- even though Casey knew, you would not finger him -- to use that phrase."

North: "Your expression, counsel, not mine."

Liman: "But you won't name him."

North: "That's correct.")

North has testified that he thought he had President Reagan's approval for the diversion. When he was told by Admiral Poindexter in late Nov. that the President had never approved it -- North took it stoically.

(North: "First of all I'm not in the habit of questioning my superiors. If he deemed it not to be necessary to ask the President, I saluted smartly and charged up the hill. That's what Lt. colonels are suppose to do. I have no problem with that.")

Other witnesses have testified that the Attorney General's investigation was hasty and amateurish. North said Meese's investigators were in his office reading Iran-related documents while he was hard at work.

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Dancy continues:

(North: "I remember shredding documents while they were in there reading documents.")

But it was that same day that Assistant Attorney General Bradford Reynolds had found a memo revealing the diversion of fund to the contras.

(Liman: "He found that document. He attached significance to that document and what you're saying is that even after that...you were there taking batches of documents past these attorneys and shredding them and they weren't saying stop?"

North: "The fact that I was shredding documents I don't think would be unusual to them. This was, after all, an office with a shredder."

Liman: "Do you deny, Colonel, that one of the reasons that you were shredding documents that Saturday was to avoid the political embarrassment of having these document seen?"

North: "I do not deny that.")

One more point -- when North said he was willing to be the scapegoat, he only intended to take political heat for others. He said today he never thought he would find himself facing criminal charges.

Brokaw: Late today the Justice Department denied that his lawyers were in Col. North's office going over documents while he was shredding other documents that he didn't want them to see. This day began with North reading his opening statement which was delayed by committee rule. And in it he was sharply critical of Congress for this process.

(North: "One thing is, I think for certain -- that you will not investigate yourselves in this matter. There is not much chance that you will conclude at the end of these hearings that the Boland amendments and the frequent policy changes, therefore, were unwise or that your restrictions should not have been imposed on the executive branch. You are not likely to conclude that the Administration acted properly by trying to sustain the freedom fighters in Nicaragua when they were abandoned. And you are not likely to conclude by commending the President of the U.S. who tried valiantly to recover our citizens and achieve an opening in the strategically vital Iran. I believe it is inevitable that Congress will in the end--)

...And at the end of the day, Arthur Liman engaged North in a discussion about his values.... This evening the joint congressional committee went behind closed doors into executive session so that they could examine intelligence documents -- many of them may be classified....

NBC's Chris Wallace: It's very interesting -- over the last two days when Oliver North looked so good, top officials here were saying let's be careful, let's not let our guard down, let's wait and see what Arthur Liman and the various members of the committee can do. Their feeling is that some of their concerns were realized today that Liman roughed Ollie North up and got North to admit things about what this Administration was up to -- what people like Bill Casey and Ed Meese and George Shultz were up to that don't make this Administration look too good. On the other hand, you know, this is hardball time.

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Wallace continues: This is when we're going to get to the end game of this scandal and they say that in the end what they're really concerned about is Ronald Reagan -- whether or not he committed any impeachable offense, any illegal action and they are resting on the fact that so far Ollie North has not implicated the President.... They say that all of that stuff was completely unauthorized by the President. He didn't know about the diversion. He didn't know about the various questionable activities that Ollie North was doing to help the contras and they are really building a firewall between the arrest of the Administration and the President.

Brokaw: Today's hearing was disrupted briefly by two men shouting protests as Col. North was testifying.... Both men are from Baltimore. It's unclear whether they are affiliated with any group. Col. North said, "I'm glad they weren't shooting." ... (NBC-Lead)

ABC's Peter Jennings: Day three of Col. North's testimony at the Iran-contra hearings -- a day of very tough questioning from the chief counsel of the Senate Committee. And today we learned a good deal more about several key points, including Col. North's ties to the late CIA Director Casey and also whether Mr. Casey, about the diversion of fund to the contra. And more on that critical week last November when North found out about the Justice Department investigation and began to work the shredding machine overtime. And again today there was the unresolved question of whether the colonel and others in the Administration violated the law against aiding the contras in Nicaragua.

ABC's Brit Hume: North finally got to read today the opening statement he wanted to read two days ago. He used it, in part, to introduce his wife.... But he also used the statement to make the kind of direct criticism of a congressional investigation rarely heard here -- like giving it to a baseball game in which one side is both player and umpire.... Later North suddenly ducked a commotion in the back of the room. It turned out to be two protesters who wanted alleged cocaine trafficking by the contras to be raised in the hearings.... At the lunch break North and his wife ventured out on a balcony to wave to people waiting in the brutal heat outside to get into the hearings. The afternoon session brought intense questioning from Senate Counsel Arthur Liman about North's interview with Attorney General Meese last Nov. in which North named all those he thought knew of the contra fund connection --all expect one....

(Liman: "How often did you communicate [with Casey]?"

North: "I would say several times a week.")

North said the late CIA Director was an enthusiastic supporter of the contra fund diversion and that it was Casey who told him to start shredding documents to protect it last November. And he said he and Casey worried over whether North was a big enough figure to take the blame for it all....

(Liman: "Did he suggest who else might take the hit?"

North: "He suggested it might be Admiral Poindexter.")

North said there was a lot of document shredding and it continued well into the week last November when two aides to Attorney General Meese were in his office examining documents on the Iran arms sales....

Hume continues: The two officials today issued a statement saying North never turned the shredder on in their presence. All that will be embarrassing to Attorney General Meese since he was leading that inquiry. But Meese did get some help from North today on the question on whether he knew about the U.S. arms shipment to Iran in Nov. 1985 -- something he has denied. North earlier said he thought Meese knew.

(North: "I do have specific knowledge of what the Attorney General knew in Nov.")

Much of the afternoon session was taken up with lengthy cross examination on whether North violated the Boland amendment prohibition on U.S. aid to the contras with North insisting he had stayed within the law and had been willing to take the political heat when it all fell apart....

(North: "I do honestly believe that they expected Ollie would go quietly and Ollie intended to do so right up until the day that somebody decided to start a criminal prosecution.... I did do it.")

There was some fierce scrapping for a time this afternoon between North's lawyer and the Senate chief counsel.... If Oliver North can be believed, of course, William Casey is the man in the Reagan Administration at the very highest level most deeply involved in knowledge of and planning of the contra fund diversion. The question is did Casey ever tell the President? North said today that Casey never told him that the President didn't know. The committee may never know the full answer to that. (ABC-Lead)

ABC's Sam Donaldson: Col. North's testimony has directly contradicted some of the statements made by other officials, who were once, but are no longer members of the Administration. But officials still in office have generally fared much better in North's hands. The difference often depends on how definitely North has ties others to his activities. In the case of the President, North's belief that Mr. Reagan had authorized all his activities was only an assumption.... And that, of course, in no way contradicts the President's assertion of ignorance. But in the case of former CIA Director Casey, who testified before his death that he learned about the contra diversion only last October, North's contradiction was stunningly blunt.... Equally blunt is North's testimonial disagreement with former NSC Advisor McFarlane over soliciting funds for the contras from third countries. McFarlane says he told North not to do that. North says he never heard McFarlane say that. But when it comes to testifying how Secretary of State Shultz complimented on his direction of overall aid to the contra, implying full knowledge by Shultz, North said it was really very vague.... One sharp contradiction between North and President Reagan did emerge today on government philosophy. North has said he believes it's all right to lie to Congress about sensitive covert operations and to withhold material on them from Congress. The President's spokesman said the President does not believe anyone should lie to Congress. The President believes in cooperating with the appropriate Congressional committees. White House officials continued to decline comment on the details of North's testimony but they are increasingly pleased by the public's response to it and the fact that North continues to maintain a gap between any potentially illegal activities and the President.

(ABC-2)

CBS's Dan Rather: Oliver North testifies about life at the center of a cover-up. He reveals shredding documents right under the noses of people suppose to be investigators sent by Attorney General Meese. (North: "They were working on their projects. I was working on mine." Laughter.)

An electrifying test of wills and test of skills today. A day when Oliver North is grilled about just how high up the cover-up goes. A day when North points an accusing finger right back at Congress....

CBS's Phil Jones: Lt. Col. Oliver North disclosed today how he had agreed to become the fall guy to protect President Reagan in case the Iran-contra activities were ever exposed.... North indicated he had been prepared to take the political wrap, but his mindset suddenly changed.... North also faced further questioning today on what Attorney General Meese knew about the arms shipments to Iran.... But North's testimony today did raise further question about the way in which Meese handled the early stages of the investigation last November.

(Liman: "Did the Attorney General, when you met with him on the 23rd, ask you to preserve every single document?"

North: "No.")

...Today's proceedings also had repeated fireworks between the committee and North's lawyer.... At one point today North was asked again about his lies and misleading information during this investigation and whether we has telling the truth now... North charged today that these hearings are damaging the national interest. And to that, one committee member said what has damaged the national interest is those who ignored the Constitution in the Iran-contra affair. (CBS-Lead)

CBS's Bruce Morton reports on Liman and Sullivan and their legal reputations. (CBS-2)

CBS's Lesley Stahl reports on Betsy North -- as a supportive wife and her own role in the Iran-contra affair. (CBS-3)

CBS's Bill Plante: After three days of testimony, Oliver North's view of the world seems very much in line with that of the Reagan White House -- dedicated to a vigorous battle against Communist influence using whatever means are necessary. But, for Oliver North at least, that includes deceiving Congress and getting around its resistive laws.

(Rep. Brooks: "People that hate Congress, hate the bureaucracy, real macho, gung-ho, go-kill-the-world, fight-in-Nicaragua, do everything -- those people probably like him.")

Oliver North has testified that his was a world of secrecy and deceit -- amid his dramatic speech making, he has admitted shredding or altering government document, preparing false chronologies and faking letters. North insisted his motives were pure. But the notion that democratic principles might have to be sacrifices in the pursuit of democracy troubles some members of the committee.

(Sen. Mitchell: "If one disagrees with the law in our society, that is a reason to try to change it. It is not a reason to evade it or to go around it.")

Plante continues: Congress was an adversary to be avoided rather than consulted.

(North: "My preferred response, and I tried it several times in this process, was not to tell the Congress.")

(Sen. Cohen: "This is not the way a democracy can function. You cannot have a chief executive, no matter how popular, simply deciding which actions will be undertaken in the name of the U.S., what commitments will be made.")

...But Oliver North was working for an Administration that does distrust Congress and a President who wants to get rid of the Sandinista government of Nicaragua. What these hearings get down to, said one White House staffer, is the question of who controls foreign policy -- the President or Congress? It's an old argument.

(CBS-4)

CBS's Bernard Goldberg reports in the public support of Oliver North, and groups forming in his defense.

(CBS-9)

COMMENTARY ON THE HEARINGS

NBC's John Chancellor: Getting hostages released in the Middle East and stopping the Russians in Central America are certainly acceptable goals and that's what Col. North and his friends were trying to do. But look at the results -- instead of building a bridge to Iran, relations now are much worse. Some hostages were released, but others were taken. American help for the contras is in deep trouble. So much for policy goals. A popular President has been critically damaged. The latest survey says 57 percent of those polled think Mr. Reagan is not telling the truth. And it's not just the President -- questions are being asked about the veracity of the Secretary of State, the Attorney General, and a flock of other officials. Careers have been ruined and there has been one attempted suicide. The Congress has been lied to. The special prosecutor may send people to jail. And talk about the gang that couldn't shoot straight -- million of dollars given secretly by foreign governments was temporarily lost or put in the wrong bank account.... Patriotic goals and bungled results -- a classic example of how bad things can get when you break the rules -- a tragedy for Col. North and the country.

(NBC-7)

TANKER ATTACKED IN PERSIAN GULF

Brokaw: A U.S. operated super tanker was attacked by an Iranian gun boat in the Persian Gulf this morning. The tanker, which was flying the Liberian flag at the time, was hit by a rocket propelled grenade. There were no casualties and the ship did remain afloat. The attack occurred off Kuwait where Kuwaiti tankers will begin to sail under the U.S. flag later this month.

NBC's Jim Miklaszewski: The Peconic was attacked and set afire just off Kuwait.... U.S. warships are on patrol in the Gulf but because the Peconic fired a Liberian flag, would not have been required to come to her rescue. U.S. officials said the Peconic sailed the Gulf at her own risk.

(Robert Sims: "We talking about protecting U.S. flag ships.")

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Miklaszewski continues: The attack comes at a time when the Reagan Administration is preparing to begin escorting Kuwaiti tankers through the Gulf. On Capitol Hill, the House had voted the day before to delay the controversial escort plan. The attack on the Peconic fanned the flames of opposition.

(Sen. Sasser: "I think it's a clear indication that we're sinking deeper -- or will be sinking deeper -- into this whole quagmire of violence in the Persian Gulf in a war in which we really don't have a stake.")

But the Administration claims the latest attack bolsters the argument for providing the Navy protection. The escorts are set to begin sometime next week, but Pentagon officials say even before this incident, they were considering delaying the plan for as much as a month. Military sources say that would provide more time to work out final logistics and for Congress to cool off.

(NBC-2, ABC-6, CBS-6)

MEESE TESTIFIES BEFORE CONGRESS

Jennings: The Attorney General was testifying on Capitol Hill today.

Once again he was answering questions about his personal financial arrangements....

ABC's Anne Compton: Attorney General Meese took responsibility for inadvertently omitting from an ethics document an investment of \$60,000 made when he took office. But Democrats also complain Meese failed to have the investment approved in advance.

(Sen. Levin: "It's clear as can be that this law requires you to get this partnership of entity approved.")

(Meese: "I did everything in good faith that I felt was necessary and required. It was not clear to the people in the Department of Justice, who are experts in this matter.")

In fact Meese claimed the government ethics director David Martin broke the law by not informing Meese of the errors. In a separate appearance, Martin said Meese committed no violation and the ethics staff goofed.

(Martin: "In my opinion, Mr. Meese made a good faith effort to report it.")

...Republicans called the episode partisan, Meese agrees.

(Meese: "Well, obviously Senator Levin used this hearing for a partisan, political attack. It was obvious that he had no substance whatsoever. That came out in the question.")

Meese isn't off the hook. Questions have been raised about other investments.

(ABC-3, CBS-5)

DEAVER

Jennings: According to the independent counsel, it will prosecute former White House Michael Deaver when his perjury trial begins next week....

(ABC-4)

MARCOS

Brokaw: Ousted Philippine President Marcos apparently has been doing more than just dreaming about returning home. In Washington today a House subcommittee revealed a plot by Marcos to invade the Philippines and regain power....

(NBC-6, ABC-5, CBS-7)

-End of B-Section-

EDITORIALS/COLUMNISTS

IRAN-CONTRA HEARINGS/NORTH'S TESTIMONY

North Takes The Hearings Into The Labyrinth -- "It's obviously too soon to draw many conclusions. On the critical question of President Ronald Reagan's involvement, North provided nothing definitive. He said he assumed the President knew what he was up to, but he offered no proof. He said he does not remember whether he shredded a document showing presidential approval of the diversion of profits to the contras from arms sales to Iran. But he did point an incriminating finger at other officials involved in an apparent cover-up, including Attorney General Edwin Meese. The impression is that Oliver North was a tool, a marvelous tool, in somebody else's hands. But he is not the mastermind. His testimony is opening doors in a labyrinth, but so far the rooms behind them are empty. There are certainly more doors down the hall. The question is whether they will lead anywhere." (Newsday, 7/8)

Unraveling A Conspiracy -- "The big picture that Americans need to extract from the Iran-contra hearings is more important than any single reply Lt. Col. Oliver North is likely to give, more important than the smoking gun question of precisely what President Reagan knew about or approved. Americans need to understand the complexities of how the foreign policy of the U.S. fell into the hands of a few persons who had convinced themselves that democracy is a luxury that Americans cannot afford.... Yet it [the committee] has not probed such vital subjects as the possible diversion of foreign money into U.S. political campaigns and the surveillance of U.S. citizens. In these cases, Americans deserve to know in detail what happened, who was involved, how did it start and where did it end?" (Boston Globe, 7/8)

Ollie North Defines The Debate -- "Oliver North, it seems clear, is faring well in the court of public opinion. That's because, by taking the offensive, North has defined the terms of the debate. It is he -- and not the committee -- who articulated the overriding question of the moment and put it to the American people: Who did wrong? The Marine Lt. Colonel...or Congress itself? ...The American people believe with him that the U.S. must have a covert action capability simply to survive: that 'our friend won't help us' if they can't expect confidentiality; and that the people elect the President, and empower him to conduct foreign policy, knowing full well that they will not be told. Oliver North, in other words, made sense -- on the most important issues of the day."

(New York Post, 7/9)

The Public Will Be The Jury -- "Ronald Reagan is a remarkably resilient President. People continue to separate his policies from his personality.... How else can you view the opinion polls that show that despite the fact that a majority feel that the public was not told the whole truth that they still approve of Reagan the man? There are many Americans who believe that way. They genuinely feel that the country should avoid embarrassing another President.... The Iran-contra affair is far more serious to the nation than anything that happened during the Nixon and Carter Administrations."

(Alec Moore, Philadelphia Inquirer, 7/9)

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IRAN-CONTRA HEARINGS/NORTH'S TESTIMONY (continued)

Answers and Questions -- "Col. North's personal character, though an interesting subject, is not the central issue before the committee. The hearings' essential purpose is to provide a full public account of what happened in the Iran-contra affair, an account that will get to the bottom of the abuses of secret power that marked the government's action.... The witness' assertion that his every act was approved began taking the hearings to the vital and politically volatile question of specifically who did the approving.... The whole apparatus of concealment that the Reagan Administration constructed around its secret operations belies the contention that there was no problem of law." (Washington Post, 7/9)

North Sure To Give A Fine Performance -- "What the Marine Corps gained by Lt. Col. Oliver North's making his career with them was Broadway's loss, for this is an actor.... If he has any credibility left, it would matter a great deal [what North says] -- but he doesn't. The people of the U.S. already have decided the President knew what was going on. They don't seem to care. Nothing North is going to swear to now can change either of those perceptions." (Otis Pike, Arkansas Gazette, 7/6)

North's Testimony True To Form, But Is Truth Missing? -- "A man whose job it has been to deceive so many for so long may not even be aware that he is shading the truth.... The task of the committees is not to be taken in by North the military hero doing his duty to protect the President, but to regard him as a suspect who is an admitted expert on deception and covert operations, in which half-truth and evasion are part of survival, and to subject him to rigorous cross-examination aimed at stripping away his carefully designed defenses." (Alan Dershowitz, Los Angeles Times, 7/9)

It's Big Show Time; In The Center Ring, It's Ollie North! -- "If, at the outset, North had told us forthrightly of his arms-running errands to Iran and their sordid connection with the contra cause in Nicaragua, we might not have liked it -- but we could still like Ollie North. Instead, North appears on the national scene a somewhat less admirable figure. Testimony freely offered by others has exposed him as a conniver, a liar and -- worst of all for a Marine, perhaps -- a blunderbuss. For those on the joint committee or across the country who hoped to divine some sense, if not some purpose, from initiatives of the National Security Council, North is -- well, damaged goods.... To paraphrase an old ditty: They don't love him in July as they did in December." (Lionel Van Deerlin, San Diego Tribune, 7/6)

Who Was In Charge, North Or Reagan? -- "The issue is not primarily Ronald Reagan's veracity or complicity in this business.... It is clear that the NSC operatives has -- as North said -- every reason to 'assume' the President approved their use of profits to aid the contras.... If the President was -- as he asserts -- unaware of the diversion, it is as clear as anything can be that he could have learned of it simply by asking a question.... Under our systems of government, his responsibility for this transaction and for his own acts of commission or omission is crystal clear.... No theory of accountability permits any other conclusion but that these officials were acting...on behalf of the President. The American public has grasped this point and the opinion polls measure the resultant damage to Reagan credibility." (David Broder, Philadelphia Inquirer, 7/9)

LETTERS TO THE EDITOR

IRAN-CONTRA HEARINGS

"President Reagan, now at an all-time low in the popularity polls, has found a way to divert public attention from the embarrassing Iran-contra arms scandal by directing national attention to the Persian Gulf.... This President needs to be called to task for his abuse of presidential power, his irresponsible mismanagement of the office of the Presidency, and his contempt for the Congress and the people of the U.S."

(Linda Long Weaver, Bellevue, Seattle Post Intelligencer, 6/23)

"It would be a travesty if, for the second time in as many decades, a Republican President was allowed to mock the Constitution with no penalty."

(Jon DeVore, Lawrence, Kansas City Times, 6/23)

"Never before in our history has a President claimed, as one of his great virtues, complete ignorance of what was going on in his own White House.... The American citizenry must decide whether this is the kind of leadership it wants to continue to support."

(Milton Coleman, Chicago, Chicago Tribune, 6/29)

"Events such as the Iran-contra affair are prone in the system, and they are indications that the present system is obsolete and begging for a change."

(Emilio A. Ortega, Miami, Miami Herald, 6/25)

"The Democratic-controlled House and Senate will never forget the Mondale-Ferraro fiasco. They are not after the truth now; they are all out to 'get President Reagan' by fair or foul means. You can see our legislators 'glowing in the limelight' when they know the tv cameras [filming the Iran-contra hearings] are focused on them."

(DeForrest Showley, Cotter, Arkansas Gazette, 7/6)

"The evidence mounting in the Iran-contra hearings has raised serious questions regarding the violation of U.S. law by the Reagan Administration. The thrust of the hearings, however, has not focused on these violations.... U.S. citizens must make their outrage known to members of the select committees, and to their congresspersons and senators. We have a right to know the truth about the actions of those people entrusted with the leadership of our government."

(Irene J. Lawrence, San Diego, San Diego Union, 7/7)

NOMINATION OF ROBERT BORK TO THE SUPREME COURT

"Sen. Ted Kennedy may not like the America he claims Supreme Court nominee Robert Bork would help create, but I don't like the part of American that Kennedy has already helped to create.... I for one will be praying for Judge Bork's speedy confirmation."

(Robert Peters, Manhattan, New York Post, 7/9)

"Those of us who hold the middle ground on the court's judicial philosophy and entitled to another in the mold of Justice Powell. Until the President nominated such a person, the Senate should withhold consent from his nominees." (Harold Williams, Washington, Washington Post, 7/9)

-End of News Summary-



News Summary

OFFICE OF THE PRESS SECRETARY

FRIDAY, JULY 10, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

IRAN-NICARAGUA

North Shredded Documents Under Nose Of Justice Dept. Officials -- Oliver North told Congress he shredded dozens of White House documents under the noses of two Justice Department officials engaged in a preliminary probe of the Iran-contra scandal. (Baltimore Sun, Los Angeles Times, New York Times, USA Today, Wall Street Journal, Washington Post, AP, Copley, Reuter)

NATIONAL NEWS

Meese Says He Has Complied With Financial Disclosure Law -- Attorney General Meese said he has fully disclosed financial transactions with a man associated with the Wedtech Corp. even though the government's ethics chief and a senator say he has not fully complied with an ethics law. (Los Angeles Times, New York Times, USA Today, Reuter, UPI)

INTERNATIONAL NEWS

U.S. Bars Retaliation For Tanker Attack, Presses Gulf Policy -- The White House has ruled out retaliation for an Iranian attack on a U.S.-operated supertankers flying a Liberian flag and reaffirmed that 11 Kuwaiti tankers will be protected. (Washington Post, Reuter)

NETWORK NEWS (Thursday Evening)

IRAN-CONTRA -- Oliver North said CIA Director Casey told him to shred documents to protect the contra fund diversion last November.

PERSIAN GULF/IRANIAN ATTACK -- A U.S. supertanker was attacked by an Iranian gunboat in the Persian Gulf.

MEESE -- Attorney General Meese was on Capitol Hill answering questions about his personal financial arrangements.

Games Soviets play

Apparently the Soviets are learning the joys of personal computing. A member of the Soviet Embassy staff was in a computer store in Northern Virginia the other day, using his tax-exempt card to buy a computer game for an IBM PC. The game? "Spyhunter."

The Washington Times

WEDNESDAY, JULY 8, 1987

IRAN — NICARAGUA

PLAN CAST NORTH AS SCAPEGOAT FOR IRAN AFFAIR, HE TELLS HILL

Oliver North testified that he was part of Administration "fall-guy plan" in which he was to be the "scapegoat" shielding President Reagan and other high officials from the political and international repercussions of the covert Iran-contra operations that he managed.

The plan, which North and then-CIA Director William Casey drew up, called for North...to run secret operations from the White House -- without the knowledge or approval of Congress -- and to "take the hit" if those operations became public.

However, under questioning by Senate chief counsel Arthur Liman, North said he had changed his mind about remaining silent regarding the participation of top officials when Attorney General Meese made him the principal target of a criminal investigation.

...North again made an impassioned statement of his willingness to make sacrifices for Reagan, his commander-in-chief. Yet in an unprompted disclosure, he said that he had reviewed with Casey, Reagan's close friend and adviser, a memorandum intended for the President's approval, which contained a reference to the controversial diversion of proceeds from U.S.-Iran arms sales to the Nicaraguan rebels in February 1986.

(Walter Pincus, Washington Post, A1)

North Said Thoughts About Serving As A Political Scapegoat Changed When He Became A Target Of A Criminal Investigation

Oliver North, likening himself to the shields that guarded Roman centurions, testified that he was willing to serve as the Reagan Administration's political scapegoat in the Iran-contra affair but that his attitude changed dramatically once he became the target of a criminal investigation.

"There was probably not another person on the planet Earth as shocked as I was to hear that someone thought it was criminal," North [said] in recounting his reaction to Attorney General Meese's Nov. 25 press conference disclosing that Iranian arms sales had been diverted to the contra rebels and announcing North's dismissal from his post as a National Security Council aide.

(Finlay Lewis, Copley)

North Says Casey Suggested Ex-Aide Poindexter Take 'Fall' To Shield Reagan

Oliver North testified that former CIA Director William Casey sought to protect President Reagan by having North and his superior, Rear Adm. John Poindexter, take "the fall" for the Iran-contra scandal.

North said he offered to take the blame himself, but Casey argued that Poindexter, then the national security adviser, needed to be "hit" as well to give the Administration a "credible" defense. "He was concerned that the President not be damaged...and I shared that belief," [North] testified. "He quite frankly did not think I was senior enough to do that...and suggested that it was probably going up the line."

(David Rogers & John Walcott, Wall Street Journal, A3)

North Says He Shredded Even As Investigators Searched Nearby

Oliver North testified that he shredded evidence as part of a long-planned cover-up of his role in the Iran-contra affair even as investigators from the attorney general were searching his office 10 feet away last November.

The Justice Department disputed his account. [Spokesman Terry Eastland] said, "I have talked with both John Richardson and William Bradford Reynolds in detail about that Saturday morning, and it is their firm recollection that at no time did Oliver North shred any documents or turn on the shredding machine,"

[North] also boasted he was the "fix-it Ollie" who got sensitive jobs done and said the plan was that he would "take the hit" to shield President Reagan if the Iran-contra dealings were revealed.

"For whom were you going to be the scapegoat?" asked Senate chief counsel Arthur Liman.

"For whomever necessary," North replied. "For the Administration, for the President."
(Harry Rosenthal, AP)

North Cites Shredding In Probers' Presence

Even as Justice Department investigators were combing his records only a few feet away last November, Oliver North continued methodically shredding the documents that could have provided the blueprint of his secret projects at the White House, North told congressional investigators.

"They were working on their projects," North said dryly, "I was working on mine."

North's testimony added to the criticism of the Justice Department's preliminary investigation of the Administration's sale of arms to Iran and military support for Nicaragua's rebels at a time when U.S. government assistance was banned.

...North persisted in his assertion that there was nothing wrong with destroying the sensitive documents.

"That's why the government of the United States gave me a shredder," North said.
(Karen Tumulty & Sara Fritz, Los Angeles Times, A1)

North Shredded Documents Under Nose Of Justice Dept. Officials

Oliver North told Congress he shredded dozens of White House documents under the noses of two Justice Department officials engaged in a preliminary probe of the Iran-contra scandal.

"Do you remember shredding documents during the lunch hour on the 22nd when the representatives of the attorney general's office had left for their lunch?" Senate chief counsel Arthur Liman asked North, referring to a visit the officials made to North's office last November 22, three days before he was fired.

"I remember shredding documents when they were in there searching for documents," North said.

Liman shot back: "Shredding them in their presence?"

"Well, I mean they were sitting in my office and the shredder was right outside and I walked out and shredded documents. They could hear it," North said.
(Sue Baker, Reuter)

North Says His Shredding Continued Despite Presence Of Justice Dept. Aides

Oliver North testified that he continued to shred documents in his office one morning in November while Justice Department officials conducting a preliminary investigation for President Reagan worked 10 feet away reviewing other files.

This latest revelation about [North's] shredding raised further doubts about the competence of the Justice Department's preliminary inquiry and led some lawmakers to speculate that the department might have been part of an effort to hide the facts. (David Rosenbaum, New York Times, A1)

Congress Is Accused Of 'Fickle' Policy That Hurts Contras

Oliver North, a witness in the dock, issued a stinging indictment of his congressional inquisitors, accusing them of a "fickle, vacillating... on-again, off-again" Central American policy that amounted to a sellout of the Nicaraguan contras.

North, reading from a prepared statement, also said the hearings of the Iran-contra panel had caused "serious damage" to national security. "Our adversaries laugh at us and our friends recoil in horror," he said.

(Robert Timberg, Baltimore Sun, A1)

A Jaunty Witness Seized The Morning; But Liman Steals Limelight With Afternoon Questioning

The morning was all his, and Oliver North knew it. So, it seems, did the country. Even as North continued his strong self-defense of his Iran-contra role, a room in the Senate Russell Office Building was filling with flowers sent from across the nation, and citizen supporters were literally offering checks for his defense to Capitol guards.

Inside the hearing room, North expounded jauntily on foreign policy, cited constitutional scholars to support his belief that his actions had been legitimate and lectured Congress on the unfairness of its investigation -- all in the same sincere, husky tones that have become familiar to millions this week.

Then it changed. As the morning was North's, the afternoon belonged to Arthur Liman, the litigator from New York who is chief counsel of the Senate select committee. After three hours answering Liman's questions, North's demeanor was transformed. The bravado had become hesitancy; the assured Marine suddenly seemed very alone.

(News Analysis, Haynes Johnson, Washington Post, A1)

Consummate Marine: Grit And Grace

Oliver North, the Marine officer who destroyed evidence and lied to government officials, is fast winning the hearts and minds of many Americans, as 60 million television viewers marvel at his forthright admission for the good of his country and the safety of his family.

Although there are those who see the central figure in the Iran-contra affair as a phony and a throwback to Watergate operative G. Gordon Liddy, most people [interviewed randomly by The Los Angeles Times around the country] seem to regard North as a consummate Marine, with grace and grit under fire, who is taking the heat for higher-ups in government.

(Frank Clifford, Los Angeles Times, A22)

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'Olliemania' Sweeps U.S.

People love "Ollie," the embattled U.S. Marine, a USA Today phone hot line reveals.

-- 52,804 -- the hands-on favorite -- applauded Oliver North as honest, deserving a medal.

-- 1,572 branded him a liar who should be jailed.

-- 2,653 accused him of lying to protect President Reagan.

-- 3,100 believe he's honest, but went too far.

North, at the Iran-contra hearing, showed off a foot-high pile of telegrams he've received -- and thanked people for their support.

(Stephen Stern, USA Today, A1)

Testimony Foreshadows Possible Legal Defense; North Could Contend He Obeyed Orders

In his testimony to Congress this week, Oliver North has foreshadowed his defense against possible criminal charges that might stem from his role in the Iran-contra affair.

The central theme running through three days of testimony is that everything North did while at the National Security Council was authorized by his superiors. In a political arena, that assertion deflects criticism that North was a "loose cannon" inside the Administration. In a legal arena, it suggests that, because he followed orders he considered legal, he did not personally break the law.

(Washington Post, A15)

REAGAN IS 'AWARE' OF NORTH HEARING

President Reagan is "fully aware" of the testimony Oliver North has given on Capitol Hill this week, but he will make no comment about it until the congressional hearings are completed, the President's spokesman, Marlin Fitzwater said.

For the first two days of North's testimony, the White House adopted a policy of determined indifference, saying officials did not have time to watch the televised hearings, and the President has still not found much time to watch his former aide....

But some White House officials feared that Regan was coming across as too detached from an important event in his presidency. So today, they shifted tactics a bit and portrayed him as interested and informed.

(Steven Roberts, New York Times, A9)

Reagan 'Well Aware Of What's Happening'

President Reagan's chief spokesman, dogged by repeated questions, now asserts his boss is following the Iran-contra hearings "very closely" despite statements that the President is busy with other work.

With the star witness of the congressional hearings called back for a fourth round of questioning today, White House spokesman Marlin Fitzwater assured reporters Reagan is keeping abreast of the testimony even though he is not sitting down to watch the full televised developments in his own worst crisis.

(Helen Thomas, UPI)

NORTH TESTIMONY ON SHULTZ 'PREPOSTEROUS' SAYS SPOKESMAN

Oliver North's suggestion that Secretary Shultz congratulated him for running an illegal supply operation to Nicaraguan contra guerrillas was a preposterous flight of imagination, the State Department said.

"The fact that Colonel North should have made the interpretation of that remark [Shultz' alleged remark 'on what a remarkable job (North) had done in keeping the Nicaraguan resistance alive'] that he seems to have made can only be called preposterous and a wild leap of imagination," State Department spokesman Charles Redman told reporters. (Reuter)

BOREN: CONGRESSIONAL COMMITTEE MEMBERS JUST 'POTTED PALMS'

Sen. David Boren complained that members of the congressional Iran-contra panels have become nothing more than "potted palms" that serve as a backdrop for three days of lawyers' questions.

He said the process by which the panels question witnesses first through direct and cross-examination by staff attorneys, with members of Congress taking their turns last, "has been a mistake."

And he complained that the questioning of Oliver North by chief House counsel John Nields... "was mishandled" and is part of the reason for an outpouring of mail and telephone calls critical of the investigation and supporting North. (Jim Drinkard, AP)

SHAMIR'S SPOKESMAN DENIES TERRORISM AIDE NIR WAS DEMOTED

JERUSALEM -- A spokesman for Prime Minister Yitzhak Shamir denied that Shamir's adviser on terrorism was stripped of his authority for allegedly lying about a meeting with a key figure in the U.S. arms sales to Iran.

"Amiram Nir was not fired or stripped of his functions and is continuing his job as adviser on terrorism," spokesman Avi Pazner said.

But another government aide, who spoke on condition of anonymity, said Nir does not now wield the power he once did. (AP)

EDITOR'S NOTE: "Week Eight Of The Iran-Contra Hearings," appears in The Washington Post, A16.

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NATIONAL NEWS

MEESE SAYS FAILURE TO DISCLOSE TRUST ASSETS WAS INADVERTENT

Attorney General Meese told Congress that his failure to disclose assets in a blind partnership was inadvertent and accused a Democratic senator of distorting the facts for "partisan political purposes."

Meese, appearing before a Senate subcommittee to answer questions about his financial arrangements with a former official of the scandal-plagued Wedtech Corp., said he had nothing to hide and was willing to provide further information to the Office of Government Ethics if required.

Earlier in the day, the top government ethics officer [David Martin, director of the Office of Government Ethics] assumed blame for failing to note that Meese's disclosure of the limited blind partnership on his 1985 form did not meet federal requirements.

On leaving the hearing, Meese said, "Obviously, Sen. [Carl] Levin used this hearing for a partisan, political attack. It was obvious that he had no substance whatsoever. That came out in the questions and the long, detailed, distorted characterizations of the facts that were made."

(Lori Santos, UPI)

Meese Says He Has Complied With Financial Disclosure Law

Attorney General Meese said he has fully disclosed financial transactions with a man associated with the scandal-scarred Wedtech, Corp. even though the government's ethics chief and a senator say he has not fully complied with an ethics law.

During a lengthy and spirited Senate hearing, the nation's top law enforcement officer said he would not further change his 1985 and 1986 financial disclosure forms until told to do so by the Office of Government Ethics.

Earlier in the hearing, David Martin, head of the agency, said Meese still was not in full compliance -- even though he had amended the forms on Monday -- because he had not completely disclosed all aspects of stock transactions in a partnership.

The chairman of the Senate Governmental Affairs subcommittee Sen. Carl Levin said Meese had not fully complied, that the law was clear and that as the nation's top lawyer he should not have to be told to do so.

(Michael Posner, Reuter)

Official: Meese Not In Compliance

Attorney General Meese -- who detailed his investments with an ex-official of the scandal-ridden Wedtech Corp. Monday -- still hasn't complied with ethics rules.

Government Ethics Office chief David Martin told a congressional subcommittee that to comply, Meese will have to amend his financial disclosure form to provide more details.

"Is Meese off the hook because your office didn't catch him?" Sen. Carl Levin asked Martin. To which Martin replied: "No."

(Sam Meddis, USA Today, AA4)

Meese Tells Panel He Didn't Violate U.S. Law On Ethics

Attorney General Meese, testifying for the first time about his involvement with the Wedtech Corp., told a Senate subcommittee that he never violated federal ethics laws. He said his partnership with an investment manager then employed by Wedtech "involved no conflict of interest."

But the panel's chairman, Sen. Carl Levin said that Meese's financial arrangements and his behavior in connection with them gave an unmistakable appearance of impropriety. "Only you know if there's more than that," Levin told the attorney general.

(Clifford May, New York Times, A1)

Levin Assails Meese On Wedtech Probe

Attorney General Meese gave the appearance of a conflict of interest by failing to remove himself sooner from a Justice Department investigation of Wedtech Corp. after investing \$54,500 with an investment adviser linked to the scandal-plagued company, the chairman of a Senate investigating panel charged.

Sen. Carl Levin, chairman of the Senate Governmental Affairs oversight subcommittee, contrasted Meese's actions with a pledge made by the attorney general during his 1985 Senate confirmation hearings to "go over-board to avoid any appearance that might be construed, misconstrued, or misinterpreted or even distorted."

Meese, testifying on financial disclosures he made about the controversial investment, rejected the conflict-of-interest charge, saying his action "would not create an appearance problem to any fair-minded person."

(Ronald Ostrow, Los Angeles Times, A4)

BAKER URGES NAACP TO BE OPEN ON BORK Sparring Continues Over Court Nominee

NEW YORK -- White House Chief of Staff Howard Baker called on the NAACP not to "precipitously oppose" the Supreme Court nomination of conservative Judge Robert Bork before confirmation hearings begin.

Baker's defense of Bork here came as White House officials in Washington and Republicans in the Senate continued sparring with Democrats over Bork's confirmation hearings which Senate Judiciary Committee Chairman Joseph Biden said will begin Sept. 15.

"I ask you today not to judge Robert Bork upon a fragmented record reflected in newspaper clippings," Baker told the [NAACP] delegates. "I ask you to consider the full record and Judge Bork's views as they emerge during the confirmation process."

"As an organization that prides itself on fairness, as individuals who have been victims of prejudice based upon race, I am sure that you understand the importance of allowing all the facts to be put forward in a nonheated or emotional fashion, particularly as the Senate...affords Justice Bork an opportunity to be heard, examined and confirmed," Baker said.

(Washington Post, A3)

White House Chief Of Staff Asks NAACP To Give Bork A Chance

NEW YORK -- White House Chief of Staff Howard Baker asked one of the nation's most powerful civil rights groups not to oppose conservative Supreme Court nominee Robert Bork, declaring that he was an "honorable man."

"I ask you not to commit the power and prestige of this organization to defeating the nomination of an honorable man who has demonstrated so clearly in his own life the power of redemption," Baker told the 78th annual NAACP convention.

Baker was referring to Bork's reversal on a proposed civil rights law that would have barred owners of public accommodations, such as restaurants and hotels, from excluding blacks.

In 1963 he wrote an article assailing the law but said in 1973 that he had been wrong. (Katherine King, Reuter)

Baker Asks NAACP To Hold Its Fire On Bork As Convention Ends

NEW YORK -- White House Chief of Staff Howard Baker walked into the lion's den and asked for a fair hearing for Supreme Court nominee Robert Bork.

Baker asked the NAACP to hold its fire on Bork, a federal appellate judge who has been nominated by President Reagan to fill the Supreme Court vacancy, until after Senate hearings give a full opportunity to examine his record.

Baker's request was a tall order. The convention already had passed an emergency resolution opposing the Bork nomination, and the loudest ovation Baker got came when he acknowledged NAACP opposition.

(Philip Ashford, Scripps Howard)

SENATE LEADERS SEEKING GRAMM-RUDMAN REPAIRS

Democratic and Republican leaders of the Senate said they will jointly push to strengthen the 1985 Gramm-Rudman-Hollings balanced-budget act and, at the same time, move to ease the law's deficit targets when the Senate takes up legislation next week to raise the federal debt ceiling.

Senate Budget Committee Chairman Lawton Chiles and the panel's ranking minority member, Sen. Pete Dominici, announced that their party leaders would seek to pass a new version of the law's automatic budget-cutting mechanism that would trigger across-the-board reductions if Congress and the President do not meet their deficit targets. The original automatic "trigger" in the Gramm-Rudman-Hollings was declared unconstitutional by the Supreme Court last year. (Washington Post, A3)

HOUSE DEMOCRATS SET CLOSED-DOOR TALKS ON TAX INCREASE OPTIONS

House Democrats will meet behind closed doors next week to discuss the ticklish issue of how to raise taxes by \$19 billion next year, as ordered by the just-passed congressional budget plan, House aides said.

"The idea is to see what kind of consensus there is in the House on the new taxes called for in the budget resolution," a House staffer, who asked not to be identified, told Reuter.

The July 14 session, though closed to the public, "will be an open discussion by the members on taxes," meaning that any members of the caucus will be able to take the floor and state his or her views, said Wilson Morris, an aide to House Speaker Jim Wright. (Reuter)

CATASTROPHIC ILLNESS BILL GETS A BOOST

House Democratic leaders cleared the way for approval of the catastrophic-illness insurance bill for Medicare recipients when Reps. Claude Pepper and Edward Roybal agreed that they would not offer their costly long-term home care plan as a floor amendment.

Pepper, in a phone interview, said that in a meeting with Speaker Jim Wright and other leaders he had "agreed I would not offer my amendment, I and Mr. Roybal," but in return, Wright and others had pledged to "find another vehicle for a vote this session" on the Pepper-Roybal proposal.

He said the insurance bill is expected to come before the Rules Committee, which he heads, the week of July 20 to obtain a rule to govern floor procedures, and go to the floor later that week.

(Washington Post, A10)

DEAVER/PERJURY TRIAL

Michael Deaver, his perjury trial scheduled to begin next week, lied to shield himself from ethics charges, protect his lucrative business and hide its true function -- capitalizing on connection to the White House, a special prosecutor said.

Whitney North Seymour, the independent counsel appointed to investigate whether the former White House aide had violated the Ethics in Government Act with his lobbying activities, made the charges in an unusual pre-trial memorandum on the evidence he plans to introduce at Deaver's trial, which begins Monday.

Deaver's attorney, Randall Turk, declined to comment on the accusations but said he may file a response in court next week.

(Lori Santos, UPI)

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INTERNATIONAL NEWS

IRAN ATTACKS U.S.-OWNED SHIP IN GULF

An American-owned oil tanker was attacked by an Iranian gunboat in the Persian Gulf but was not entitled to protection from U.S. warships there because it was flying a Liberian flag, U.S. officials said.

State Department spokesman Charles Redman, apparently seeking to play down the attack, said it seemed to be "yet another in a long series of attacks perpetrated against nonbelligerent and neutral shipping by the Iranians."

He said U.S. warships had not intervened because the [ship] was sailing under a Liberian flag. "U.S. naval forces in the gulf were not responsible for its protection," he said. (Washington Post, A11)

U.S. Bars Retaliation For Tanker Attack, Presses Gulf Policy

The White House has ruled out retaliation for an Iranian attack on a U.S.-operated supertankers flying a Liberian flag and reaffirmed that 11 Kuwaiti tankers re-registered as American ships will be protected.

Spokesman Marlin Fitzwater suggested that the Administration's controversial reflagging plan, which is slated to begin next week, would deter future Iranian attacks on Persian Gulf shipping.

But congressional critics said their concern was heightened by Iran's hit-and-run action against the [ship]. (Gene Gibbons, Reuter)

SENATE KEEPS ALIVE, BUT FAILS TO PASS, PLAN TO DELAY SHIP ESCORTS

The Senate joined the House in signaling opposition to President Reagan's Persian Gulf policy with a 56 to 42 vote that kept alive a proposal to force a 90-day delay of his plan to reflag 11 Kuwaiti tankers and give them U.S. naval protection.

But the Senate stopped short of passing the proposal, as foes of the reflagging operation from both sides of the aisle failed to muster the 60 votes necessary to break a threatened Republican filibuster against the delay measure. (Washington Post, A11)

TRADE BILL GETS PLANT CLOSING ITEM Inclusion By Senate Defies Veto Threat

The Senate defied a veto threat by adding a controversial plant-closing provision to the trade bill, but reversed an earlier move to limit the President's discretion to deny import restraints sought by domestic industries.

On Tuesday the Senate placed limits on presidential authority to refuse to impose restraints to help industries hurt by fairly traded foreign goods. But with little debate and no roll call votes, it adopted two amendments last night that effectively reversed Tuesday's action.

The final approval of the plant closing measure came on a 60 to 40 vote that defeated a Republican effort to kill the measure. The provision requires companies employing more than 100 people to notify their workers and the community if they plan to close a factory. (Washington Post, B1)

Plant Closing Plan Survives In Senate

Union-backed provisions requiring 60-day notice of plant closing and layoffs survived a hard-fought effort to delete them from the Senate's sweeping trade bill.

"The American worker has waited 15 years for this day," Sen. Edward Kennedy declared as the Senate rejected 60 to 40, an effort to drop the plant-closing provisions. Critics said it made a presidential veto likely and thus threatened to torpedo the whole trade bill. (Mike Robinson, AP)

U.S. Says Trade Deficit Down 16 Percent From Peak

The U.S. trade deficit peaked in the third quarter of 1986 and has since dropped by about 16 percent, the trade representative's office said.

The trade office said in a fact sheet released as the Senate debated a trade bill, with portions the Reagan Administration has labeled "protectionist," that exports accounted for about 63 percent of the growth.

The trade office warned senators that "protectionist provisions in any piece of trade legislation would be particularly damaging at a time when exports are growing and the trade balance is improving." (Reuter)

HABIB DENIES WHITE HOUSE TRIED TO DERAIL ARIAS PEACE PLAN

President Reagan's special envoy to Central America, Philip Habib, denied that the White House was trying to derail a regional peace plan sponsored by President Oscar Arias Sanchez of Costa Rica.

Habib told the House Western Affairs subcommittee that the White House supported the plan but sought some changes.

Habib also denied reports he had pressured Salvadoran President Juan Napoleon Duarte to delay a meeting of regional leaders to discuss the plan. The meeting, originally set for June, was recently delayed until August. (Reuter)

U.S. WARNS HAITI NOT TO CHANGE VOTE PLAN

PORT-AU-PRINCE, Haiti -- The U.S. government publicly warned Haiti's military-led government and its political leaders that it will cut off U.S. economic aid if either group permits "a perversion of the democratic process" on the way to an elected government here.

Separate statements by U.S. Deputy Assistant Secretary of State Richard Holwill and Assistant Secretary of State Elliott Abrams emphasized that the U.S. will back the provisional ruling council led by Lt. Gen. Henri Namphy as long as it sticks to its promise to hold elections this year. (Washington Post, A20)

PANAMA'S ANTI-U.S. DRIVE SAID TO FAIL

PANAMA CITY -- A campaign by the top military officer, Gen. Manuel Antonio Noriega, to shore up his embattled political position by stirring Panamanians' anti-American spirits appears to have fallen flat.

A June 26 Senate resolution calling for Noriega to step down pending an independent investigation into accusations against him sparked a two-week round of pro- and anti-Noriega disturbances. Supporters of Noriega, the power behind the government here, accused the U.S. of intervention, a charge usually guaranteed to anger Panamanians still resentful of the 70-year history of U.S. control of the Panama Canal.

But the view heard consistently from Panamanians in capital city streets is that the crisis here is a power struggle between Noriega and his local opponents, with Washington playing only a secondary role.

(Washington Post, A18)

MARCOS COULD BE DETAINED IF COUP ATTEMPTS CONTINUE, U.S. SAYS

The U.S. warned ousted Philippine President Ferdinand Marcos that it would slap him in a cell in a lien detention center if he did not stop trying to overthrow his successor, Corazon Aquino.

"If he takes steps that warrant that outcome, that's where he will end up," State Department legal adviser Abraham Sofaer told a congressional hearing about the plan to further restrain Marcos.

(Carol Giacomo, Reuter)

-End of A-Section-

NETWORK NEWS SUMMARY

(Thursday Evening, July 9, 1987)

IRAN-CONTRA HEARINGS/NORTH'S TESTIMONY

NBC's Tom Brokaw: It was another highly-charged, emotional and mentally exhausting day in the Congressional hearings into the Iran-contra affair and at the end of three days of testimony Lt. Col. Oliver North was still standing by his story that he did nothing illegal and that he has no evidence that the President knew of the diversion of Iran arms sales to the contra. But others close to the President knew a lot.

NBC's John Dancy: The cross examination started with an angry exchange between two tough experienced attorney -- Senate Committee Chief Counsel Arthur Liman and North's lawyer Brendan Sullivan.... Sullivan objected to a hypothetical question from Liman. Committee Chairman Daniel Inouye overruled him.... North disclosed today just how deeply CIA Director Casey was involved in the diversion of funds from the Iran arms sale to the contras.

(North: "I had consulted very carefully with Director Casey and he -- I don't know if approved is the right word. Director Casey was very enthusiastic about the whole program and advocated it.")

North assumed Casey had discussed the diversion with President Reagan. North said he was prepared to cover up for Casey if necessary and did not tell Attorney General Meese, who was investigating the matter, that Casey was involved.

(North: "It had always been part of the plan that Director Casey would know nothing of the support to the Nicaraguan resistance.")

North also said as part of the plan, he, North, was suppose to be the scapegoat.

(North: "For whoever necessary -- for the Administration -- for the President -- for however high up the chain that they needed someone to say, 'That's the guy that did it. And he's gone and now we put that behind us and let's get on with other things.'")

Liman: "And so the fall guy plan was -- even though Casey knew, you would not finger him -- to use that phrase."

North: "Your expression, counsel, not mine."

Liman: "But you won't name him."

North: "That's correct.")

North has testified that he thought he had President Reagan's approval for the diversion. When he was told by Admiral Poindexter in late Nov. that the President had never approved it -- North took it stoically.

(North: "First of all I'm not in the habit of questioning my superiors. If he deemed it not to be necessary to ask the President, I saluted smartly and charged up the hill. That's what Lt. colonels are suppose to do. I have no problem with that.")

Other witnesses have testified that the Attorney General's investigation was hasty and amateurish. North said Meese's investigators were in his office reading Iran-related documents while he was hard at work.

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Dancy continues:

(North: "I remember shredding documents while they were in there reading documents.")

But it was that same day that Assistant Attorney General Bradford Reynolds had found a memo revealing the diversion of fund to the contras.

(Liman: "He found that document. He attached significance to that document and what you're saying is that even after that...you were there taking batches of documents past these attorneys and shredding them and they weren't saying stop?"

North: "The fact that I was shredding documents I don't think would be unusual to them. This was, after all, an office with a shredder."

Liman: "Do you deny, Colonel, that one of the reasons that you were shredding documents that Saturday was to avoid the political embarrassment of having these document seen?"

North: "I do not deny that.")

One more point -- when North said he was willing to be the scapegoat, he only intended to take political heat for others. He said today he never thought he would find himself facing criminal charges.

Brokaw: Late today the Justice Department denied that his lawyers were in Col. North's office going over documents while he was shredding other documents that he didn't want them to see. This day began with North reading his opening statement which was delayed by committee rule. And in it he was sharply critical of Congress for this process.

(North: "One thing is, I think for certain -- that you will not investigate yourselves in this matter. There is not much chance that you will conclude at the end of these hearings that the Boland amendments and the frequent policy changes, therefore, were unwise or that your restrictions should not have been imposed on the executive branch. You are not likely to conclude that the Administration acted properly by trying to sustain the freedom fighters in Nicaragua when they were abandoned. And you are not likely to conclude by commending the President of the U.S. who tried valiantly to recover our citizens and achieve an opening in the strategically vital Iran. I believe it is inevitable that Congress will in the end--)

...And at the end of the day, Arthur Liman engaged North in a discussion about his values.... This evening the joint congressional committee went behind closed doors into executive session so that they could examine intelligence documents -- many of them may be classified....

NBC's Chris Wallace: It's very interesting -- over the last two days when Oliver North looked so good, top officials here were saying let's be careful, let's not let our guard down, let's wait and see what Arthur Liman and the various members of the committee can do. Their feeling is that some of their concerns were realized today that Liman roughed Ollie North up and got North to admit things about what this Administration was up to -- what people like Bill Casey and Ed Meese and George Shultz were up to that don't make this Administration look too good. On the other hand, you know, this is hardball time.

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Wallace continues: This is when we're going to get to the end game of this scandal and they say that in the end what they're really concerned about is Ronald Reagan -- whether or not he committed any impeachable offense, any illegal action and they are resting on the fact that so far Ollie North has not implicated the President.... They say that all of that stuff was completely unauthorized by the President. He didn't know about the diversion. He didn't know about the various questionable activities that Ollie North was doing to help the contras and they are really building a firewall between the arrest of the Administration and the President.

Brokaw: Today's hearing was disrupted briefly by two men shouting protests as Col. North was testifying.... Both men are from Baltimore. It's unclear whether they are affiliated with any group. Col. North said, "I'm glad they weren't shooting." ... (NBC-Lead)

ABC's Peter Jennings: Day three of Col. North's testimony at the Iran-contra hearings -- a day of very tough questioning from the chief counsel of the Senate Committee. And today we learned a good deal more about several key points, including Col. North's ties to the late CIA Director Casey and also whether Mr. Casey, about the diversion of fund to the contra. And more on that critical week last November when North found out about the Justice Department investigation and began to work the shredding machine overtime. And again today there was the unresolved question of whether the colonel and others in the Administration violated the law against aiding the contras in Nicaragua.

ABC's Brit Hume: North finally got to read today the opening statement he wanted to read two days ago. He used it, in part, to introduce his wife.... But he also used the statement to make the kind of direct criticism of a congressional investigation rarely heard here -- like giving it to a baseball game in which one side is both player and umpire.... Later North suddenly ducked a commotion in the back of the room. It turned out to be two protesters who wanted alleged cocaine trafficking by the contras to be raise in the hearings.... At the lunch break North and his wife ventured out on a balcony to wave to people waiting in the brutal heat outside to get into the hearings. The afternoon session brought intense questioning from Senate Counsel Arthur Liman about North's interview with Attorney General Meese last Nov. in which North named all those he thought knew of the contra fund connection --all expect one....

(Liman: "How often did you communicate [with Casey]?")

North: "I would say several times a week.")

North said the late CIA Director was an enthusiastic supporter of the contra fund diversion and that it was Casey who told him to start shredding documents to protect it last November. And he said he and Casey worried over whether North was a big enough figure to take the blame for it all....

(Liman: "Did he suggest who else might take the hit?")

North: "He suggested it might be Admiral Poindexter.")

North said there was a lot of document shredding and it continued well into the week last November when two aides to Attorney General Meese were in his office examining documents on the Iran arms sales....

Hume continues: The two officials today issued a statement saying North never turned the shredder on in their presence. All that will be embarrassing to Attorney General Meese since he was leading that inquiry. But Meese did get some help from North today on the question on whether he knew about the U.S. arms shipment to Iran in Nov. 1985 -- something he has denied. North earlier said he thought Meese knew.

(North: "I do have specific knowledge of what the Attorney General knew in Nov.")

Much of the afternoon session was taken up with lengthy cross examination on whether North violated the Boland amendment prohibition on U.S. aid to the contras with North insisting he had stayed within the law and had been willing to take the political heat when it all fell apart....

(North: "I do honestly believe that they expected Ollie would go quietly and Ollie intended to do so right up until the day that somebody decided to start a criminal prosecution.... I did do it.")

There was some fierce scrapping for a time this afternoon between North's lawyer and the Senate chief counsel.... If Oliver North can be believed, of course, William Casey is the man in the Reagan Administration at the very highest level most deeply involved in knowledge of and planning of the contra fund diversion. The question is did Casey ever tell the President? North said today that Casey never told him that the President didn't know. The committee may never know the full answer to that. (ABC-Lead)

ABC's Sam Donaldson: Col. North's testimony has directly contradicted some of the statements made by other officials, who were once, but are no longer members of the Administration. But officials still in office have generally fared much better in North's hands. The difference often depends on how definitely North has ties others to his activities. In the case of the President, North's belief that Mr. Reagan had authorized all his activities was only an assumption.... And that, of course, in no way contradicts the President's assertion of ignorance. But in the case of former CIA Director Casey, who testified before his death that he learned about the contra diversion only last October, North's contradiction was stunningly blunt.... Equally blunt is North's testimonial disagreement with former NSC Advisor McFarlane over soliciting funds for the contras from third countries. McFarlane says he told North not to do that. North says he never heard McFarlane say that. But when it comes to testifying how Secretary of State Shultz complimented on his direction of overall aid to the contra, implying full knowledge by Shultz, North said it was really very vague.... One sharp contradiction between North and President Reagan did emerge today on government philosophy. North has said he believes it's all right to lie to Congress about sensitive covert operations and to withhold material on them from Congress. The President's spokesman said the President does not believe anyone should lie to Congress. The President believes in cooperating with the appropriate Congressional committees. White House officials continued to decline comment on the details of North's testimony but they are increasingly pleased by the public's response to it and the fact that North continues to maintain a gap between any potentially illegal activities and the President.

(ABC-2)

CBS's Dan Rather: Oliver North testifies about life at the center of a cover-up. He reveals shredding documents right under the noses of people suppose to be investigators sent by Attorney General Meese. (North: "They were working on their projects. I was working on mine." Laughter.)

An electrifying test of wills and test of skills today. A day when Oliver North is grilled about just how high up the cover-up goes. A day when North points an accusing finger right back at Congress....

CBS's Phil Jones: Lt. Col. Oliver North disclosed today how he had agreed to become the fall guy to protect President Reagan in case the Iran-contra activities were ever exposed.... North indicated he had been prepared to take the political wrap, but his mindset suddenly changed.... North also faced further questioning today on what Attorney General Meese knew about the arms shipments to Iran.... But North's testimony today did raise further question about the way in which Meese handled the early stages of the investigation last November.

(Liman: "Did the Attorney General, when you met with him on the 23rd, ask you to preserve every single document?"

North: "No.")

...Today's proceedings also had repeated fireworks between the committee and North's lawyer.... At one point today North was asked again about his lies and misleading information during this investigation and whether we has telling the truth now... North charged today that these hearings are damaging the national interest. And to that, one committee member said what has damaged the national interest is those who ignored the Constitution in the Iran-contra affair. (CBS-Lead)

CBS's Bruce Morton reports on Liman and Sullivan and their legal reputations. (CBS-2)

CBS's Lesley Stahl reports on Betsy North -- as a supportive wife and her own role in the Iran-contra affair. (CBS-3)

CBS's Bill Plante: After three days of testimony, Oliver North's view of the world seems very much in line with that of the Reagan White House -- dedicated to a vigorous battle against Communist influence using whatever means are necessary. But, for Oliver North at least, that includes deceiving Congress and getting around its resistive laws.

(Rep. Brooks: "People that hate Congress, hate the bureaucracy, real macho, gung-ho, go-kill-the-world, fight-in-Nicaragua, do everything -- those people probably like him.")

Oliver North has testified that his was a world of secrecy and deceit -- amid his dramatic speech making, he has admitted shredding or altering government document, preparing false chronologies and faking letters. North insisted his motives were pure. But the notion that democratic principles might have to be sacrifices in the pursuit of democracy troubles some members of the committee.

(Sen. Mitchell: "If one disagrees with the law in our society, that is a reason to try to change it. It is not a reason to evade it or to go around it.")

Plante continues: Congress was an adversary to be avoided rather than consulted.

(North: "My preferred response, and I tried it several times in this process, was not to tell the Congress.")

(Sen. Cohen: "This is not the way a democracy can function. You cannot have a chief executive, no matter how popular, simply deciding which actions will be undertaken in the name of the U.S., what commitments will be made.")

...But Oliver North was working for an Administration that does distrust Congress and a President who wants to get rid of the Sandinista government of Nicaragua. What these hearings get down to, said one White House staffer, is the question of who controls foreign policy -- the President or Congress? It's an old argument.

(CBS-4)

CBS's Bernard Goldberg reports in the public support of Oliver North, and groups forming in his defense.

(CBS-9)

COMMENTARY ON THE HEARINGS

NBC's John Chancellor: Getting hostages released in the Middle East and stopping the Russians in Central America are certainly acceptable goals and that's what Col. North and his friends were trying to do. But look at the results -- instead of building a bridge to Iran, relations now are much worse. Some hostages were released, but others were taken. American help for the contras is in deep trouble. So much for policy goals. A popular President has been critically damaged. The latest survey says 57 percent of those polled think Mr. Reagan is not telling the truth. And it's not just the President -- questions are being asked about the veracity of the Secretary of State, the Attorney General, and a flock of other officials. Careers have been ruined and there has been one attempted suicide. The Congress has been lied to. The special prosecutor may send people to jail. And talk about the gang that couldn't shoot straight -- million of dollars given secretly by foreign governments was temporarily lost or put in the wrong bank account.... Patriotic goals and bungled results -- a classic example of how bad things can get when you break the rules -- a tragedy for Col. North and the country.

(NBC-7)

TANKER ATTACKED IN PERSIAN GULF

Brokaw: A U.S. operated super tanker was attacked by an Iranian gun boat in the Persian Gulf this morning. The tanker, which was flying the Liberian flag at the time, was hit by a rocket propelled grenade. There were no casualties and the ship did remain afloat. The attack occurred off Kuwait where Kuwaiti tankers will begin to sail under the U.S. flag later this month.

NBC's Jim Miklaszewski: The Peconic was attacked and set afire just off Kuwait.... U.S. warships are on patrol in the Gulf but because the Peconic fired a Liberian flag, would not have been required to come to her rescue. U.S. officials said the Peconic sailed the Gulf at her own risk.

(Robert Sims: "We talking about protecting U.S. flag ships.")

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Miklaszewski continues: The attack comes at a time when the Reagan Administration is preparing to begin escorting Kuwaiti tankers through the Gulf. On Capitol Hill, the House had voted the day before to delay the controversial escort plan. The attack on the Peconic fanned the flames of opposition.

(Sen. Sasser: "I think it's a clear indication that we're sinking deeper -- or will be sinking deeper -- into this whole quagmire of violence in the Persian Gulf in a war in which we really don't have a stake.")

But the Administration claims the latest attack bolsters the argument for providing the Navy protection. The escorts are set to begin sometime next week, but Pentagon officials say even before this incident, they were considering delaying the plan for as much as a month. Military sources say that would provide more time to work out final logistics and for Congress to cool off.

(NBC-2, ABC-6, CBS-6)

MEESE TESTIFIES BEFORE CONGRESS

Jennings: The Attorney General was testifying on Capitol Hill today.

Once again he was answering questions about his personal financial arrangements....

ABC's Anne Compton: Attorney General Meese took responsibility for inadvertently omitting from an ethics document an investment of \$60,000 made when he took office. But Democrats also complain Meese failed to have the investment approved in advance.

(Sen. Levin: "It's clear as can be that this law requires you to get this partnership of entity approved.")

(Meese: "I did everything in good faith that I felt was necessary and required. It was not clear to the people in the Department of Justice, who are experts in this matter.")

In fact Meese claimed the government ethics director David Martin broke the law by not informing Meese of the errors. In a separate appearance, Martin said Meese committed no violation and the ethics staff goofed.

(Martin: "In my opinion, Mr. Meese made a good faith effort to report it.")

...Republicans called the episode partisan, Meese agrees.

(Meese: "Well, obviously Senator Levin used this hearing for a partisan, political attack. It was obvious that he had no substance whatsoever. That came out in the question.")

Meese isn't off the hook. Questions have been raised about other investments.

(ABC-3, CBS-5)

DEAVER

Jennings: According to the independent counsel, it will prosecute former White House Michael Deaver when his perjury trial begins next week....

(ABC-4)

MARCOS

Brokaw: Ousted Philippine President Marcos apparently has been doing more than just dreaming about returning home. In Washington today a House subcommittee revealed a plot by Marcos to invade the Philippines and regain power....

(NBC-6, ABC-5, CBS-7)

-End of B-Section-

EDITORIALS/COLUMNISTS

IRAN-CONTRA HEARINGS/NORTH'S TESTIMONY

North Takes The Hearings Into The Labyrinth -- "It's obviously too soon to draw many conclusions. On the critical question of President Ronald Reagan's involvement, North provided nothing definitive. He said he assumed the President knew what he was up to, but he offered no proof. He said he does not remember whether he shredded a document showing presidential approval of the diversion of profits to the contras from arms sales to Iran. But he did point an incriminating finger at other officials involved in an apparent cover-up, including Attorney General Edwin Meese. The impression is that Oliver North was a tool, a marvelous tool, in somebody else's hands. But he is not the mastermind. His testimony is opening doors in a labyrinth, but so far the rooms behind them are empty. There are certainly more doors down the hall. The question is whether they will lead anywhere." (Newsday, 7/8)

Unraveling A Conspiracy -- "The big picture that Americans need to extract from the Iran-contra hearings is more important than any single reply Lt. Col. Oliver North is likely to give, more important than the smoking gun question of precisely what President Reagan knew about or approved. Americans need to understand the complexities of how the foreign policy of the U.S. fell into the hands of a few persons who had convinced themselves that democracy is a luxury that Americans cannot afford.... Yet it [the committee] has not probed such vital subjects as the possible diversion of foreign money into U.S. political campaigns and the surveillance of U.S. citizens. In these cases, Americans deserve to know in detail what happened, who was involved, how did it start and where did it end?" (Boston Globe, 7/8)

Ollie North Defines The Debate -- "Oliver North, it seems clear, is faring well in the court of public opinion. That's because, by taking the offensive, North has defined the terms of the debate. It is he -- and not the committee -- who articulated the overriding question of the moment and put it to the American people: Who did wrong? The Marine Lt. Colonel...or Congress itself? ...The American people believe with him that the U.S. must have a covert action capability simply to survive: that 'our friend won't help us' if they can't expect confidentiality; and that the people elect the President, and empower him to conduct foreign policy, knowing full well that they will not be told. Oliver North, in other words, made sense -- on the most important issues of the day." (New York Post, 7/9)

The Public Will Be The Jury -- "Ronald Reagan is a remarkably resilient President. People continue to separate his policies from his personality.... How else can you view the opinion polls that show that despite the fact that a majority feel that the public was not told the whole truth that they still approve of Reagan the man? There are many Americans who believe that way. They genuinely feel that the country should avoid embarrassing another President.... The Iran-contra affair is far more serious to the nation than anything that happened during the Nixon and Carter Administrations."

(Alec Moore, Philadelphia Inquirer, 7/9)
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IRAN-CONTRA HEARINGS/NORTH'S TESTIMONY (continued)

Answers and Questions -- "Col. North's personal character, though an interesting subject, is not the central issue before the committee. The hearings' essential purpose is to provide a full public account of what happened in the Iran-contra affair, an account that will get to the bottom of the abuses of secret power that marked the government's action.... The witness' assertion that his every act was approved began taking the hearings to the vital and politically volatile question of specifically who did the approving.... The whole apparatus of concealment that the Reagan Administration constructed around its secret operations belies the contention that there was no problem of law." (Washington Post, 7/9)

North Sure To Give A Fine Performance -- "What the Marine Corps gained by Lt. Col. Oliver North's making his career with them was Broadway's loss, for this is an actor.... If he has any credibility left, it would matter a great deal [what North says] -- but he doesn't. The people of the U.S. already have decided the President knew what was going on. They don't seem to care. Nothing North is going to swear to now can change either of those perceptions." (Otis Pike, Arkansas Gazette, 7/6)

North's Testimony True To Form, But Is Truth Missing? -- "A man whose job it has been to deceive so many for so long may not even be aware that he is shading the truth.... The task of the committees is not to be taken in by North the military hero doing his duty to protect the President, but to regard him as a suspect who is an admitted expert on deception and covert operations, in which half-truth and evasion are part of survival, and to subject him to rigorous cross-examination aimed at stripping away his carefully designed defenses." (Alan Dershowitz, Los Angeles Times, 7/9)

It's Big Show Time; In The Center Ring, It's Ollie North! -- "If, at the outset, North had told us forthrightly of his arms-running errands to Iran and their sordid connection with the contra cause in Nicaragua, we might not have liked it -- but we could still like Ollie North. Instead, North appears on the national scene a somewhat less admirable figure. Testimony freely offered by others has exposed him as a conniver, a liar and -- worst of all for a Marine, perhaps -- a blunderbuss. For those on the joint committee or across the country who hoped to divine some sense, if not some purpose, from initiatives of the National Security Council, North is -- well, damaged goods.... To paraphrase an old ditty: They don't love him in July as they did in December." (Lionel Van Deerlin, San Diego Tribune, 7/6)

Who Was In Charge, North Or Reagan? -- "The issue is not primarily Ronald Reagan's veracity or complicity in this business.... It is clear that the NSC operatives has -- as North said -- every reason to 'assume' the President approved their use of profits to aid the contras.... If the President was -- as he asserts -- unaware of the diversion, it is as clear as anything can be that he could have learned of it simply by asking a question.... Under our systems of government, his responsibility for this transaction and for his own acts of commission or omission is crystal clear.... No theory of accountability permits any other conclusion but that these officials were acting...on behalf of the President. The American public has grasped this point and the opinion polls measure the resultant damage to Reagan credibility." (David Broder, Philadelphia Inquirer, 7/9)

LETTERS TO THE EDITOR

IRAN-CONTRA HEARINGS

"President Reagan, now at an all-time low in the popularity polls, has found a way to divert public attention from the embarrassing Iran-contra arms scandal by directing national attention to the Persian Gulf.... This President needs to be called to task for his abuse of presidential power, his irresponsible mismanagement of the office of the Presidency, and his contempt for the Congress and the people of the U.S."

(Linda Long Weaver, Bellevue, Seattle Post Intelligencer, 6/23)

"It would be a travesty if, for the second time in as many decades, a Republican President was allowed to mock the Constitution with no penalty."

(Jon DeVore, Lawrence, Kansas City Times, 6/23)

"Never before in our history has a President claimed, as one of his great virtues, complete ignorance of what was going on in his own White House.... The American citizenry must decide whether this is the kind of leadership it wants to continue to support."

(Milton Coleman, Chicago, Chicago Tribune, 6/29)

"Events such as the Iran-contra affair are prone in the system, and they are indications that the present system is obsolete and begging for a change."

(Emilio A. Ortega, Miami, Miami Herald, 6/25)

"The Democratic-controlled House and Senate will never forget the Mondale-Ferraro fiasco. They are not after the truth now; they are all out to 'get President Reagan' by fair or foul means. You can see our legislators 'glowing in the limelight' when they know the tv cameras [filming the Iran-contra hearings] are focused on them."

(DeForrest Showley, Cotter, Arkansas Gazette, 7/6)

"The evidence mounting in the Iran-contra hearings has raised serious questions regarding the violation of U.S. law by the Reagan Administration. The thrust of the hearings, however, has not focused on these violations.... U.S. citizens must make their outrage known to members of the select committees, and to their congresspersons and senators. We have a right to know the truth about the actions of those people entrusted with the leadership of our government."

(Irene J. Lawrence, San Diego, San Diego Union, 7/7)

NOMINATION OF ROBERT BORK TO THE SUPREME COURT

"Sen. Ted Kennedy may not like the America he claims Supreme Court nominee Robert Bork would help create, but I don't like the part of American that Kennedy has already helped to create.... I for one will be praying for Judge Bork's speedy confirmation."

(Robert Peters, Manhattan, New York Post, 7/9)

"Those of us who hold the middle ground on the court's judicial philosophy and entitled to another in the mold of Justice Powell. Until the President nominated such a person, the Senate should withhold consent from his nominees."

(Harold Williams, Washington, Washington Post, 7/9)

-End of News Summary-