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News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, AUGUST 3, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Iran Show Of Force To Begin -- Iranian naval, air and ground units will begin maneuvers in the Persian Gulf, the Strait of Hormuz and the Gulf of Oman, after a reflagged Kuwaiti tanker and its U.S. naval escorts pass through the waterway.

(Christian Science Monitor, USA Today, Washington Times)

IRAN-NICARAGUA

Meese, Unlike Reagan, Sees Possibility Laws Were Broken -- Attorney General Meese said that laws may have been broken in the Iran-contra affair, contradicting President Reagan's assertion that there is no evidence of criminality. (Washington Post, Washington Times)

NATIONAL NEWS

Meese Expects Quick Nod For Bork -- Confirmation of Robert Bork should be quick, Attorney General Meese said, after the judge got a boost from a nationwide poll of judges and a member of the high court.

(Washington Times, UPI)

NETWORK NEWS (Sunday Evening)

PERSIAN GULF -- The latest U.S.escorted convoy appears to have made it safely without incident.

MECCA RIOT -- The demonstrators in Tehran called for the bloodshed to be avenged.

IRAN-CONTRA -- Edwin Meese says laws may have been broken.

My Little Patch of Blue

The buck stopped with the admiral;
There was no smoking gun.
Dan Rather and Tom Brokaw, who
Had hoped to see some fun,
Look listless, while Sam Donaldson
Still pokes among the coals
In desultory fashion, as
He mutters at the polls.

W. H. VON DREELE

AUGUST 14, 1987 / NATIONAL REVIEW

INTERNATIONAL NEWS

IRAN PLANS STRIKES HERE AND IN GULF U.S. Blamed For Mecca Toll

Iran not only is stepping up its anti-American rhetoric but now is actually preparing for terrorist attacks against U.S. targets in Washington and the Persian Gulf, U.S. intelligence sources said.

Iran is focusing its attention on key government buildings and military and industrial facilities in Washington and on targets in Kuwait and the United Arab Emirates, the intelligence sources said.

Following the deaths of 402 pilgrims, including 275 Iranians, in the holy city of Mecca in Saudi Arabia, Iranian Interior Minister Ali Akbar Mohtashemi warned that the Iranian-backed Party of God (Hezbollah) would take revenge through "direct attacks on U.S. interests all over the world."

"The Iranians have the capability of striking in Washington," one source said, indicating that law enforcement agencies had stepped up their surveillance of certain Iranian and Lebanese nationals in the U.S.

(James Dorsey, Washington Times, A1)

Gulf: Navy Set For 'Day Of Hatred'

BAGHDAD, Iraq -- Iran heightened tensions in the Persian Gulf, vowing revenge against the USA for the deaths of hundreds of pilgrims in Mecca.

With Iran calling for a "day of hatred against the United States," the U.S. Middle East Task Force commander, Rear Admiral Harold Bernsen, said aboard the LaSalle, "I have every reason to expect that they are going to do something."

In Beirut, the pro-Iranian terrorist group Islamic Jihad said it planned to punish Saudi Arabia for the Mecca deaths -- and released a photo of USA hostage Terry Anderson, driving home the point that it still holds Anderson and Thomas Sutherland. (Don Kirk, USA Today, A1)

Iran Show Of Force To Begin

TEHRAN -- Iranian naval, air and ground units will begin maneuvers in the Persian Gulf, the Strait of Hormuz and the Gulf of Oman, after a reflagged Kuwaiti tanker and its U.S. naval escorts pass through the waterway.

The Islamic Republic News Agency reported yesterday that the exercises would be code-named "Martyrdom," and be carried out by Iran's Revolutionary Guards militia during three days.

The commmander of the Guards' naval branch, Ali Reza Alaie, has warned that his forces were prepared to impose a naval blockade on Kuwait, if ordered, and top "destroy" all ships heading for Kuwaiti ports.

(Washington Times, A5)

Tougher Times Ahead In The Gulf; Iran Is Expected To Test U.S. Resolve In Gulf Soon

"Iran believes it is only 10 to 12 dead Americans from another victory (over the U.S) ... and sadly it may well be right," a well-placed U.S. official laments.

He and other officials and analysts are worried that Iran has found America's soft underbelly -- a lack of will to accept the loss of American lives. They say Iran may soon test U.S. resolve, probably with a new terrorist action. (E.A. Wayne, Christian Science Monitor, 1)

IRAN VOWS TO AVENGE PILGRIM DEATHS IN MECCA Islamic Jihad Threatens Saudi Rulers

TEHRAN -- With more than a million angry Iranians massed in front of Parliament, Parliament Speaker Hojatoleslam Ali Akbar Hashemi Rafsanjani intensified Iranian threats against Saudi Arabia, vowing to "uproot Saudi rulers" to avenge the deaths of 275 demonstrating Iranian pilgrims in the holy city of Mecca on Friday.

"We, as soldiers of God and implementers of divine principles, oblige ourselves to avenge these martyrs by uprooting Saudi rulers from the region," Iran's official Islamic Republic News Agency quoted Rafsanjani as saving.

Tehran Radio said that Iranian Interior Minister Ali Akbar Mohtashemi sent a message to his Saudi counterpart, Prince Nayef ibn Abdulaziz, threatening to avenge the Mecca violence and saying Iran would also retaliate against the U.S. (Deutsche Presse-Agentur, Washington Post, A1)

Iranian Officials Urge 'Uprooting' Of Saudi Royalty

CAIRO -- Iran, vowing to avenge the deaths of hundreds of Iranian pilgrims in a riot in Mecca, called for the "uprooting" of the Saudi Arabian royal family, raising the specter of religious war in the already tense Persian Gulf.

Warships in the U.S., which Iran has accused of complicity in the Mecca riot, are escorting Kuwaiti oil tankers, in effect supporting Iraq. France, embroiled in its own diplomatic dispute with Iran, has dispatched a naval task force to the gulf. (John Kifner, New York Times, A1)

TURKEY STAYS NEUTRAL IN PERSIAN GULF WAR Ankara Is Not Fond Of Either Iraq Or Iran

The initial meeting between an Iraqi official and an Iranian at an out-of-the-way luxury hotel along the Bosporus earlier this week hardly drew any notice in this exotic crossroad city between Europe and Asia.

Since the beginning of the Persian Gulf war between Iran and Iraq in 1980, Turkey has sought to walk a tightrope of neutrality between its two warring neighboring states, seeking friendship and business with both while having little sympathy or fondness for either.

"Our motto is that we like to keep friendly relations with all our neighbors," explained Adnan Kahveci, the principal adviser to Prime Minister Turgut Ozal. "We also know that our neighbors are there to stay so we must get along with them." (Lore Jenkins, Washington Post, A17)

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PHILIPPINES MINISTER MURDERED Communist Assassins Widely Believed Behind Killing

MANILA -- Three men armed with revolvers and an automatic machine pistol shot and killed Local Governments Secretary Jaime Ferrer, a staunch anticommunist and one of the most powerful members of President Aquino's Cabinet.

No one immediately claimed responsibility for the dramatic slaying, the first ever of a sitting Cabinet member. But it was widely believed to be the work of a communist assassination squad, known as "sparrow units," because of Ferrer's role in advocating a network of anticommunist vigilante groups around the country.

The slaying, if linked to the communists, would mark a dramatic escalation of the radical left's campaign of urban warfare, which has already claimed the lives of dozens of top-ranking police and military officers over the last five months. (Keith Richburg, Washington Post, A1)

Pro-U.S. Filipino Politician Murdered

MANILA -- Jaime Ferrer -- a staunchly pro-American, anti-communist member of President Aquino's Cabinet -- was shot and killed near his suburban Paranaque home as he was returning from church.

President Aquino called the slaying "senseless and barbaric." Aquino, who rushed to the hospital shortly after the attack, said through a spokesman that the killing "shocks me beyond words." She said "Jimmy Ferrer was a gentle and honest man."

The Cabinet minister, the most conservative in the Aquino administration, actively supported right-wing vigilante groups after they began forming late last year to fight the communists.

Ferrer, 70, was ardently pro-American and often was accused by leftists of working for the CIA, an allegation that he repeatedly denied.

(Tom Breen, Washington Times, A1)

ARMS NEGOTIATOR SUGGESTS WAY AROUND IMPASSE

The Reagan Administration's chief arms negotiator said that the major obstacle to a U.S.-Soviet agreement eliminating intermediate— and short-range nuclear missiles could be overcome outside of the Geneva talks.

But Ambassador Max Kampelman reiterated that the U.S. would not resolve the issue in bilateral negotiations with the Soviets.

In an interview following his television appearance, Kampelman said the Administration's opposition does not rule out the possibility of a separate arms agreement that involved West Germany or the NATO alliance.

If the Soviets advanced a compromise proposal, "We would take it up with our allies," Kampelman said in the interview.

(David Hilzenrath, Washington Post, A16)

Moscow To Consider Compromise In Dispute With Bonn On Missiles

A senior Soviet arms negotiator said that Moscow would consider a compromise to resolve differences over West Germany's short-range Pershing 1A missiles.

The Soviet Union has called the missiles the main barrier to an agreement with the U.S. to ban American abd Soviet medium-range and shorter-range nuclear-armed rockets.

(Michael Gordon, New York Times, A1)

Soviet Officials Indicate Compromise On Arms Accord Obstacle

A Soviet official, in an apparent attempt to overcome a major obstacle to a superpower arms control agreement, indicated that the Soviets might compromise regarding U.S. nuclear warheads on West Germany's Pershing 1A missiles, but they have not yet seen a U.S. proposal on the matter.

Max Kampelman, meanwhile, insisted that the U.S. would not accept a provision in an arms-reduction treaty that affects the missile strength of any of its allies.

The subject came up during an NBC-TV "Meet the Press" interview with the Soviets' deputy arms negotiator, Alexei Obukhov. Asked about a U.S. provision in which the 72 aging Pershing missiles are simply phased out by obsolescence in the early 1990s, Obukhov replied the Soviets would not rule out such a plan.

"No, I'm not. I cannot speak for the American side, whatever its proposal could be," he said. "I am speaking about the Soviet side, and I am explaining the logic of our proposal -- why we are insisting on the American warheads, and not missiles which belong to the West Germans, to be scrapped."

(Donna Cassata, AP)

Germans Concerned About Appearing To Block Arms Accord

BONN, W. Germany -- West German officials, while insisting on keeping this country's Pershing 1A missiles out of a superpower arms accord, privately have expressed concern about being seen as an obstacle to a historic pact.

American negotiators, backing Bonn, have repeatedly said the Pershing 1As belong to the West Germans and are not subject to Soviet-U.S. arms talks in Geneva.

Officials say the Soviet demand to include the Pershing 1As in any accord is designed to cause tension in the NATO alliance and the Bonn coalition government.

(Kenneth Jautz, AP)

SOVIET DEFENSES COULD BOOST 'STAR WARS' DEPLOYMENT COST TO \$1 TRILLION

Soviet countermeasures to a U.S. "Star Wars" missile defense system could boost the cost of deploying the weapons to as much as \$1 trillion, a congressional study says.

The Congressional Research Service says its findings have "disturbing implications" because "many of the variables that will drive up (Star Wars) launch costs are influenced partially or completely by Soviet actions."

"If the Soviets do not cooperate, however, the launch costs for such a defense could skyrocket...The lack of U.S.-Soviet offensive arms limitations has the potential to drive up launch costs still more," the report says.

(AP)

ARMACOST DISCUSSES PAKISTANI NUCLEAR PROGRAM

State Department troubleshooter Michael Armacost is meeting with Pakistani officials to seek assurances that Islamabad will not build nuclear weapons, a Western diplomatic source says.

The source, who requested anonymity, said the undersecretary of state for political affairs, in meetings with two Pakistani Cabinet members, discussed the possibility of on-site inspection of the Asian nation's secret uranium enrichment facility.

Site inspection would ensure that uranium enrichment at the Kahuta laboratory, 20 miles southeast of Islamabad, stayed within acceptable levels for peaceful nuclear research and power generation, the source said.

(Jack Reed, UPI)

VESSEY REPORTS 'PROGRESS' IN HANOI MIA TALKS

HANOI, Vietnam -- Senior U.S. and Vietnamese negotiators met Monday for the final round of talks aimed at resolving the fate of nearly 1,800 American servicemen listed as missing in action in Vietnam.

Gen. John Vessey, a presidential envoy, the most senior American official to visit Hanoi in a decade, reported some progress in his talks with Vietnamese Deputy Prime Minister and Foreign Minister Nguyen Co Thach. But neither side has given any details of the discussions aimed at reviving cooperation on the MIAs.

The U.S. would like to resume an exchange of information and approval for further joint excavations of crash sites of American warplanes. (UPI)

Ex-General Hopeful About MIA Talks

Gen. John Vessey's devotion to duty didn't stop when he retired in 1985 as chairman of the Joint Chiefs of Staff.

President Reagan sent Vessey to try to persuade Vietnam officials to resume efforts to find out the fate of 1,776 U.S. soldiers listed as missing. (USA Today, A2)

U.S.-JAPAN RELATIONSHIP: ALLIANCE MARKED BY PARADOX Closer Ties Result In More Dissatisfaction

TOKYO -- The closer that Japan and the U.S. move together, the more unhappy each becomes with the other. That is the paradox of relations between the two countries, the great "odd couple" of the western alliance, as they pass through the late 1980s.

Two-way trade across the Pacific has mushroomed to \$110 billion a year. Each country is hosting more of the other's citizens then ever before (half a million Japanese will visit the U.S. in July and August alone). Military cooperation has moved to new levels in the field and seems about to expand to research on the "Stars Wars" antimissile program.

Yet in the U.S., people increasingly view Japan as a predator bent on wiping out American industry and affluence with a bag of economic dirty tricks. In Japan, some people have a counterpart sentiment of the U.S. as a bully lashing out irrationally at a country that is guilty of nothing more than hard work and efficiency.

(News Analysis, John Burgess, Washington Post, A1)

IRAN — NICARAGUA

MEESE AIDES STAYED CLOSE TO INQUIRY AFTER ITS SHIFT TO CRIMINAL DIVISION Iran-Contra Deposition Shows Justice Department Power Struggles

Attorney General Meese top aides, who helped him conduct the initial fact-finding inquiry that led to last fall's discovery of the diversion of funds to the contras, stayed closely involved with the investigation even after it was turned over to the Justice Department's Criminal Division, according to a deposition released by the Iran-contra committees last week.

In the deposition, Asst. Attorney General William Weld, the head of the Criminal Division, described tension between Meese's close advisers, Asst. Attorneys General William Bradford Reynolds and Charles Cooper, and Criminal Division lawyers and FBI agents over the handling of the inquiry.

Weld's deposition offered an unusual glimpse of behind-the-scenes power struggles at the Justice Department last fall as officials there scrambled to respond to the revelations of the arms-for-hostages deal and the diversion to the contras of funds from arms sales to Iran.

(Ruth Marcus, Washington Post, A3)

Meese, Unlike Reagan, Sees Possibility Laws Were, Broken

Attorney General Meese said that laws may have been broken in the Iran-contra affair, contradicting President Reagan's assertion that there is no evidence of criminality.

Mr. Meese restated his belief that it would be a "tragedy" if Oliver North or John Poindexter went to prison for their key roles in the diversion of Iranian arms sales proceeds to the Nicaraguan resistance.

(Mary Belcher, Washington Times, A3)

FOR SOME, HEARINGS WILL GO OUT WITH A YAWN

"I sense a spirit of winding down," said Sen. Daniel Inouye, the understated Democrat from Hawaii, who has presided over the Iran-contra hearings for three months.

Others sensed a pell-mell race for the finish ever since John Poindexter claimed he alone ordered the diversion of Iran arms profits to the contras. (Leslie Philipps, USA Today, A5)

Reagan's 'Yelling' May Skirt Scandal

President Reagan, chafing under a self-imposed silence, promised as soon as the Iran-contra hearings ended, he'd stand on the roof and yell."

But Reagan, who delivers his long-awaited speech next week, may soften his tone: Advisers think his best tactic is to look beyond the scandal.

(Johanna Neuman, USA Today, A5)

CONGRESSMAN COLLECTS MEDICINE FOR CONTRAS

Antibiotics, bandages and other medical supplies desperately needed by doctors treating wounded Nicaraguan resistance forces will be airlifted to Honduras this week -- compliments of an Ohio congressman and the testimony of Oliver North.

The medical supplies come at a critical time as a teletyped report last week from a Nicaraguan resistance command post on the northern front reveals the recent -- and successful -- escalation of fighting against the Marxist Sandinista forces. (John McCaslin, Washington Times, A2)

REAGAN'S WARRING IMPULSES

As the Iran-contra hearings fade off into the sunset, they leave behind a troubling portrait of a president who was strangely victimized both by his best and worst impulses.

Reagan's best impulses are to help fellow Americans, in this case hostages still held captive in Lebanon. The hostages were, in the words of Donald Regan, the human "bait" that kept the Iran initiative going long after a more hard-edged and thoughtful president would have realized he was being hoodwinked.

Reagan's worst impulses have always been his tendencies to oversimplify and overdelegate. He governs by reducing complex issues to simplicities of lower taxes and anticommunism and relying on others to carry out the policies embodied by the slogans. Blending what has delicately been referred to as Reagan's "management style" with his determination to help the Nicaraguan contras was a combustible mix, even if Oliver North had not been present to light the fire.

(Lou Cannon, Washington Post, A2)

GRASS-ROOTS ACTIVISTS MOBILIZE AGAINST BORK NAACP's Neas Urges 'Low-Keyed' Approach

CHICAGO -- Divided in their choice of a Democratic presidential candidate, grass-roots activists vowed to mobilize against Senate confirmation of Judge Robert Bork's appointment to the Supreme Court.

The weekend "retreat" of about 1,200 organizers of consumer, civil rights, feminist, environmental and "public interest" groups wound up with Sen. Edward Kennedy whipping up enthusiasm for the fight against President Reagan's latest court nominee.

Kennedy derided the White House "public-relations campaign to portray Robert Bork as a moderate conservative. Those public-relations advisers must be smoking Admiral Poindexter's pipe," he gibed.

(David Broder, Washington Post, A3)

POLL SHOWS HALF THE JUDGES WOULD SUPPORT BORK NOMINATION

The Supreme Court nomination of Robert Bork received approval from half the state and federal judges surveyed by the National Law Journal.

Fifty percent of the 405 judges said they would vote to confirm Bork's nomination if they served in the Senate, while 24 percent said they opposed the nomination and 26 said they didn't know, according to the poll in the Aug. 10 edition of the journal.

The survey questioned the jurists on a broad range of issues related to the debate over Bork's nomination, including abortion and the role a nominee's political philosophy should play in confirmation. (UPI)

Meese Expects Quick Nod For Bork

Confirmation of Robert Bork should be quick, Attorney General Meese said, after the judge got a boost from a nationwide poll of judges and a member of the high court.

"By the time they see Judge Bork in person, by the time they examine his history and background, and by the time they evaluate his capabilities, his philosophy, his apoproach to the judiciary, I think they're going to vote for him and I think they're going to vote against the filibuster," Meese said... (Gene Grabowski, Washington Times, A4)

WOMAN IN KEY ABORTION CASE OPPOSES BORK

The woman whose pregnancy led the Supreme Court to legalize abortion stepped into the battle against the nomination of Robert Bork to the USA's highest bench.

Norma McCorvey, 39, now a Texas businesswoman, told 350 protesters at a rally in Dallas that Bork is a mistake.

"The nomination ... represents a threat to our personal privacy," McCorvey said. "It is an insult to every woman who has had to face the decision about an unwanted pregnancy." (USA Today, A2)

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CANDIDATES OF ALL STRIPES URGE CURBS ON DEFENSE BUDGET

From Pat Robertson and Paul Laxalt on the Republican right to Jesse Jackson and Rep. Patricia Schroeder on the Democratic left, 1988 presidential contenders are telling audiences around the country that the time has come to end the Reagan military buildup.

A majority in Congress has already made it clear that the large Reagan buildup will be stopped, at least in the upcoming fiscal 1988 budget. Rejecting the Administration's request for another defense spending increase, Congress seems likely to approve at most a budget that would hold the Pentagon at its current spending level with an adjustment for inflation.

Within the Administration, President Reagan and Defense Secretary Weinberger say it would be a mistake to end the pattern of regular annual increases in defense spending that has prevailed for the past decade. They contend that the Pentagon budget must be increased at an annual rate greater than the rate of inflation for at least five more years to assure security.

(T.R. Reid, Washington Post, A4)

HOUSE, SENATE FACE SHOWDOWN OVER DEBT LIMIT

The House and Senate, facing an urgent deadline this week for an agreement on how to raise the debt limit, are ready for a showdown on accompanying proposals to rewrite the balanced budget law.

Lawmakers have until midnight Thursday to agree on a debt limit package that can win President Reagan's signature. If they fail, the current \$2.32 trillion debt ceiling will drop to \$2.1 trillion and the government will face what Senate Democratic leader Robert Byrd last week called "a heck of a mess."

As a last resort, Congress and the President could agree to another in a series of temporary debt limit extensions, but that idea is unpopular.

(Linda Werfelman, UPI)

EDUCATION CHIEF BENNETT A Study In Controversy

Education Secretary Bennett is just back from a spin through Europe, where he met at length with British Prime Minister Thatcher and visited with Pope John Paul II. He stopped by the Berlin Wall, lectured a West Berlin audience on the need to defend against totalitarian threats, and, upon his return to American soil, called in reporters to recount his travels.

He has stepped into Republican politics, delivering a keynote address at a party gathering in March, just a year after his conversion from the Democratic ranks. And he has become one of the most vocal Reagan stalwarts, repeatedly scolding Republicans from deserting their president in the heat of the Iran-contra affair.

Bennett's departure from the traditional bounds of his post has separated him from his predecessors and transformed the secretary of this relatively small, low-level agency into one of the most visible Cabinet members. In the process, he has been faulted for what critics see as inappropriate and opportunistic self-promotion. But others like his willingness to take controversial stands.

(Barbara Vobejda, Washington Post, A1)

NETWORK NEWS SUMMARY

(Sunday Evening, Aug. 2, 1987)

PERSIAN GULF

Dalance in the Persian Gulf. Eight minesweeping helicopters loaded onto Air Force cargo planes are being rushed to the gulf to help locate mines like the one that blew a hole in the side of a reflagged Kuwaiti tanker. Also on the way to the gulf: the USS Raleigh, an amphibious assault ship which will help support those helicopter minesweeping operations. The Navy's tanker escort is proceeding without the minesweepers. One tanker has made it through the gulf.

CBS's Alan Pizzey reports details on the convoy operation -- and that the Bridgeton is ready to go, two-thirds full of oil and ready for the decision to sail. Meanwhile, regional problems are fanning the gulf war flames. Violent clashes involving Iranians have prompted a storm of threats of Tehran. In Kuwait, the U.S. Embassy was partially evacuated today because of a bomb threat. Iranian revolutionary guards will start three days of gulf naval maneuvers, code-named "Martyrdom," on Tuesday. (CBS-Lead)

NBC's John Hart: The Associated Press reports tonight that a Kuwaiti tanker carrying volatile liquified petroleum gas was escorted safely out of the Persian Gulf today by two U.S. Navy warships, passing through the Strait of Hormuz where Iran promises to hold maneuvers code-named "Martyrdom" this week. But the U.S. Navy refuses to confirm that the tanker is past the Strait.

NBC's Jim Miklaszewski reports on the details of the Gas Prince's journey through the Strait, much to the relief of the U.S Navy.

(NBC-Lead)

ABC's Sam Donaldson: The latest U.S.-escorted convoy in the Persian Gulf appears to have made it to safety without incident. The Kuwaiti tanker Gas Prince and its U.S. Navy escorts, which left Kuwait yesterday, have cleared the Straits of Hormuz at the gulf's entrance, according to shipping sources, and presumably are clear of the danger area. And now another Kuwaiti tanker, the mine-struck Bridgeton, is ready to make its own try.

ABC's Mike Lee reports the departure of the Gas Prince took place yesterday amid a news blackout, and that the U.S. Navy would not say when the Bridgeton would pass through the gulf. (ABC-Lead)

MECCA RIOT

Sawyer: In Beirut the pro-Iranian Islamic Jihad, a group believed to be holding American hostages, has called for reprisals against Saudi Arabia for that violence in Mecca that left 400 dead. A photo of hostage Terry Anderson accompanied that message.

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CBS's Doug Tunnel reports that up to 12,000 demonstrators in Tehran today called for the bloodshed in Mecca to be avenged. Militant Shiite Moslems in Lebanon chanted anti-American and Saudi slogans. Probably the last thing U.S. Navy planners considered when they chartered America's new course in the gulf was the date on the Islamic calendar, and the fact that just as the first American flags flew from two Arab ships, more than 2 million Moslems were gathering in Saudi Arabia for the ritual pilgrimage to Mecca. That coincidence did not escape Ayatollah Khomeini, who called for demonstrations in Mecca while bitterly condemning U.S. policy last week.

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

IRAN-CONTRA HEARINGS

Hart: Secretary Weinberger is back for a final day of testimony on the Iran-contra deals tomorrow. Then the committees will hear some testimony in private and then write their report. President Reagan will have his report out before the committees do, promising to speak out in the next couple of weeks.

NBC's Jamie Gangel: With the hearings coming to an end, the President renewed his vow last week to address the Iran-contra scandal.

(President Reagan, Thursday file footage: "I am going to speak out on that whole subject and the subject of this whole affair."

Reporter: "When?"

The President: "When the hearings are over.")

But in fact White House aides admit the President does not plan to respond in detail and will probably never address many of the inconsistencies and charges of illegal activity. Instead, White House strategy is to play down the speech and take the offensive by announcing a new presidential order. Behind the scenes, White House aides have been working out an agreement with Congress to share more intelligence on covert operations. The strategy is to make this public right before the President's speech, so the President can use it to put the scandal behind him and assure the public it cannot happen again. And aides say the President also plans to use Oliver North's popularity in public opinion polls to push for more contra aid. (TV coverage: File footage of President in Cabinet meeting; with congressional leaders in White House; walking to to West Wing.)

The goal, according to former Reagan aide David Gergen, is to show the President taking action to answer criticism.

(Gergen: "The country's basically made up its' minds about what happened. Opinion has crystalized. So that in one speech the President cannot repair the credibility and damage that he's suffered here in the last few months.")

Some committee members feel the President's credibility won't be restored unless Mr. Reagan himself answers questions. But the White House has flatly dismissed any suggestion of an appearance before the committee or a press conference. Aides say news questions now would just bog the President down. And some aides are even debating whether there should be an Oval Office address. Admitted one: now that the hearings are ending, the more we can ignore this, the better. (NBC-3)

Donaldson: Attorney General Edwin Meese said today he believe laws may have been broken in the Iran-contra affair. Only last Friday, President Reagan said he hadn't heard a single word that indicated in any of the testimony that laws were broken. But on ABC's "This Week with David Brinkley," Meese said he wouldn't have launched the criminal investigation last November -- and sought the appointment of an independent counsel -- if he hadn't thought laws could have been broken. Meese said he thinks the President meant that the Administration as a whole was not seeking to break the laws. Asked about his own problems with an independent counsel, and whether he will resign as Attorney General if he's indicted in the Wedtech matter, Meese replied confidently, "I've done nothing wrong. I'm not going to be indicted."

ARMS CONTROL

Sawyer: The U.S. and the Soviet Union are pushing ahead toward an arms treaty in Geneva. Today, they put the debate over the unresolved issues to the airwaves.

CBS's Jacqueline Adams: Though both sides have recently expressed confidence that an arms control agreement can be reached, the negotiators for the U.S. and Soviet Union engaged in a bit of televised jousting today. A sticking point is the destruction of West Germany's 72 Pershing 1-A missiles.

(Alexei Obukhov, Soviet arms negotiator: "The American side, while thinking about the zero global solution on short-range missiles, in fact does not follow what it proclaims. Because if these 72 American warheads are retained on the missiles...then the solution is not zero.")

Since the Soviets first raised this issue in late April, neither they nor the Kohl government has blinked. President Reagan, however, has made one concession. He's promised not to modernize the nearly obsolete warheads. His advisers hope the Soviets will eventually give in.

(Max Kampelman: "There is absolutely no way, in my opinion, that the President would agree to any provision that would not be in the best interests of the United States and its allies."

Kenneth Adelman: "Anybody who knows about negotiating with the Soviets realize that they bluff very often. And if these negotiations show anything, it's to show that you have to withstand the Soviet bluff, without giving ground, and the Soviets will come around.")

Despite this conflict over the West German missiles, both the Reagan and Gorbachev governments are making plans for another summit. Both sides know time is running short to get an arms control deal through the Senate before the end of the Reagan presidency.

(CBS-5)

Donaldson: There was a suggestion today of Soviet flexibility concerning one of the remaining obstacles to a new arms control treaty. A Soviet official hinted Moscow may be ready to modify its hardline position on how to handle Pershing missiles systems owned by West Germany.

(ABC's Rick Inderfurth: The end game in negotiations on the medium and short-range missile agreement has arrived: that period when the final tradeoffs and concessions are made. Today, the Soviets appeared to open the door a bit on their demand that the U.S.-controlled nuclear warheads on West Germany's 72 Pershing 1-A missiles be included in the deal.

(Karpov: "This issue is now the stumbling block of the negotiations. It should be removed."

Obukhov: "Our position as of now, and our principle approach, is that all the warheads -- all American and Soviet warheads on medium and short-range missiles -- must be scrapped.")

But that, as of now, from Soviet arms negotiator Obukhov, suggests Moscow may be willing to accept a compromise. (ABC-4)

MIAS

Sawyer: In Hanoi, presidential envoy John Vessey is winding up the highest level MIA talks in 10 years. The former chairman of the Joint Chiefs wants more information about the 1,776 Americans still listed as missing in action in Vietnam.

CBS's Richard Wagner reports Gen. Vessey, on arrival in Hanoi, immediately put to rest -- at least for public consumption -- widespread speculation that he'd brought with him from Washington some kind of breakthrough initiative. The general declined comment on renewed Vietnamese requests for humanitarian aid.

(Shultz: "Humanitarian reciprocity is one thing. But any attempt to trade information on our missing men for economic aid is another. We cannot agree to this.")

There is a tight lid on the government talks, but the events reporters can witness appear cordial. Gen. Vessey and his party are scheduled to leave tomorrow. Both sides seem to hold out some hope for a positive outcome. (CBS-7, NBC-9, ABC-5)

SOVIETS/ISRAELI RELATIONS

Sawyer: One nation that wants to raise its profile in the Middle East is the Soviet Union. As part of this campaign, some Soviet diplomats are spending the summer in Israel.

CBS's Bob Simon reports that the Soviets insist they are in Israel on a purely technical mission -- to survey Russian-owned property and do some consular work.

(Shimon Peres, Israeli foreign minister: "I found them not so quick in saying 'Nyet.' Which means that the positions are as holy and decadent as they used to be."

While the Soviets are villified because of their persecution of Jews, they are loved and longed for because so much of Israel was made in Russia: the culture, the ideas, the people. (CBS-2)

BORK/POLL

Hart: A poll of 405 state and local judges finds about half of them would vote to confirm Supreme Court nominee Robert Bork if they were members of the Senate. Twenty-four percent said they opposed Bork; the rest were undecided. The nomination of the conservative Bork has been opposed by liberals. (NBC-14)

AIDS/JUSTICE DEPARTMENT

Hart: The Justice Department says no police officer has caught AIDS from any prisoner or anyone being arrested. But it recommends police departments quickly adopt clear-cut policies on handling infected people, including the use of gloves.

NBC's Jennifer McLogan reports on the growing number of police officers using protective measures, apparently not waiting for the Justice Department's guidelines. Gays in New York disagree on the danger. Nevertheless, the Justice Department report found that two-thirds of police officers surveyed were concerned about being infected with the AIDS virus through casual contact. (NBC-4)

ALASKA OIL/CONGRESS

Donaldson: A far different kind of battle is being fought in Alaska and in the halls of Congress, between oil companies and environmentalists. At issue is whether to open up Alaska's Arctic National Wildlife Refuge for oil exploration and change forever how the native wildlife and human populations live.

ABC's Roger Peterson interviews oil company geologists, environmentalists, local Alaskan officials and native Indians to assess the impact of the proposal. Congress is faced with deciding whether the country's future oil needs outweigh desires to keep this part of the Arctic untouched.

(ABC-8)

-End of B-Section-

ABC -- THIS WEEK WITH DAVID BRINKLEY

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

Guests: Sens. DeConcini and Heflin.

Brinkley: I believe you have both avoided so far saying how you intend to vote. Why don't you tell us now?

DeConcini: I can only reiterate that I have not made up my mind.... I think the man is entitled to a fair hearing, one that will go into his philosophy, go into his temperament, go into his judicial and academic background. We all have a test, and many times it's based on rationalization -- whether or not he has the capabilities to see all issues, even though he may be predisposed in one way. Does he have this capacity in his mind? That's going to take some questions. And I want some answers from him.

Heflin: I think we ought to keep an open mind. Particularly as Democrats, and hear the witnesses on the hearings. The hearing process does serve a function.

Brinkley: Your chairman has already announced that he's opposed to it. Do you think that's wise?

Heflin: Our chairman and I, we differ some. But we all differ.

 $\overline{\text{mind}}$: One of the threats is that people have not only already made up their $\overline{\text{mind}}$ to oppose Bork, but plan to stage a filibuster to keep it from coming to a full vote in the Senate. Do you think 60 votes can be had to end the filibuster against Bork?

DeConcini: My guess is today they could. It's a little bit premature to judge, because we don't know what may come out in the hearings. But it plays both ways. A lot of Republicans, those who are not in the Judiciary Committee -- I've talked to four or five, more than five of them -- they're for Bork no matter what. I think they would support Mickey Mouse or Darth Vader if the President sent them up. That isn't being open about the process either.

Will: Sen. Heflin, would you have trouble voting to limit Senate debate in order to bring the court up to full strength?

Heflin: Yes, I'd naturally have that. I differ a little with (DeConcini). I think it's going to be difficult. There are several Republicans in my judgment that because of certain issues may well vote against cloture, and vote against Bork.

Donaldson: Let's assume Judge Bork is found to be intellectually qualified; has a very good distinguished record as a judge from the standpoint of using his mind and having legal training; and let us assume that there are no problems with moral questions, ethical questions, and it comes right down to his own judicial philosophy. Does the Senate role not only give you the right, but let us say require you to weigh that, and if you find that it is not your philosophy, or that of your constituents, to vote against it?

Heflin: Let me say that brings it down to where I think that the ideology is an element. I don't think it's the only element. But in the way your question is phrased, I think you have to consider that, along with his political philosophy. You have to also consider his propensity to activism. And you can have activism to the right as well as to the left. I'm conservative. Generally, I like his conservative bent. But I do not want an activist in that role.

DeConcini: I really agree with Sen. Heflin almost totally. When you get to ideology, you can't dismiss it. But I would not vote totally for someone -- I would not make a decision based purely on the ideology. I'm not looking for someone to go out on the extreme, on the right or the left, to interpret this Constitution. I want someone, and I think my constituents want me to do the best I can to objectively look at someone; can they look at all the issues, and by gosh, listen to the arguments, even though they may come down on the conservative side more than they do on the other.

<u>Donaldson</u>: What is your mail telling you, both of you? Are you getting any quantity of mail yet on the Bork nomination? If so, coming from conservative areas, what does it say?

Heflin: Basically, it's coming through about six or seven-to-one, pro-Bork. DeConcini: Same in my state.

Donaldson: Do you think the President ought to pardon Col. North and Adm. Poindexter?

Heflin: I don't think it'll be necessary. I think that all the public sentiment that's around North, that the independent counsel...will have difficulty convincing the members of a grand jury to indict him.

DeConcini: I don't think it'd be proper for a pardon. In my own judgment, they ought not be be (pardoned) before the trial, before the investigation.

Will: What good has come of all these hearings? There's a sort of itch to legislate. Do we need new laws out of this?

DeConcini: I don't know that we need new laws.

Heflin: I think in regards to the laws, that there will be a number of changes. I think that you'll have a change relative to the Intelligence committees of the Congress.... We will probably not statutorily say that the national security adviser ought to be confirmed. But I think there will be some tightening relative to the NSC in its relationship to the President, as well as a lot of others that we don't have time to go into.

Guest: Attorney General Meese.

Brinkley: Now that it's over, or about over, what have we learned from it? What has been proved? What's it all about? What are those crazies in Washington doing?

Meese: I must say that I think there is something that could come out of it that will be beneficial. I think that it will, I hope, provide the opportunity for much greater cooperation between the executive and congressional branches on the development of foreign policy. We've got to have much more discussion, much more consultation, and hopefully, much more cooperation...

Will: You public persona is as placid as a lagoon. And so is the President, old equitable Ronald Reagan. Isn't anyone angry?

Meese: I'm angry at the situation. I think what you had was a Greek tragedy in the making. You know it's going to end badly, and yet you seem hopeless in order to affect the outcome...

Donaldson: I may not have the quote correct, but I think over the weekend on another broadcast you were quoted as saying you don't think that either one of these gentlemen has broken any laws and ought to be prosecuted.

Meese: No, I didn't say that at all. What I did say was that I thought for them to come into the toils of the law, is a tragedy.

Donaldson: But you weren't suggesting that the (investigative) process shouldn't operate?

Meese: Not at all. Not at all. I was the one, if you'll remember, that initiated the criminal investigation. I was the one who said we have to have an independent counsel. And I continue to say that that process has to go through its deliberations and come out with a result.

Donaldson: Do you think any laws may have been broken here?

Meese: Yes. If I didn't think that laws could have been broken, possibly, then I wouldn't have launched the criminal investigation and sought an independent counsel.

Donaldson: Then why do you think the President of the U.S. said yesterday that he hadn't heard anything in this hearing that suggested any laws had been broken?

Meese: I think what the President was talking about was the Administration as a whole was not seeking to break the laws, and I think he was probably referring to the Boland amendment, things such as that.

Donaldson: ...You're under investigation by another independent counsel in the matter of Wedtech. And the question arises, if you're indicted, will you resign as Attorney General?

Meese: I'm not going to be indicted. I have no connection with Wedtech. And I've done nothing wrong...

Will: ... Isn't it perhaps wrong for someone as close to a President as you, Mitchell, Bobby Kennedy have been, to be attorneys general?

Meese: I don't think so. Obviously, the President has confidence in you, and he should in his legal adviser. That's the basis of my long association with President Reagan. He has confidence in my views, and I hope for good reason.

FREE-FOR-ALL DISCUSSION (Mary Ann Dolan, syndicated columnist, joins the panel.)

Brinkley: What should a person of good will and moderate intelligence make of (the Iran-contra hearings)?

Will: This is the gang that couldn't shoot straight. This is another setback for the cause...of restoring the good name about the competence and good will of the American government. And this is another case where people out in the country must be saying, "Forget the details. The fact is, people are not behaving well toward one another and we're behaving foolishly toward the external world."

Donaldson: The President wrought a policy that was non-sensical, to ransom hostages by dealing with so-called moderates in Iran. Ronald Reagan is not some befuddled man on a shelf up here, who is twisted and pulled by his advisers. When he cares about something, he makes certain the policy he wants to do is pursued. If there's anything you talk about learning from history, that Administrations ought to be able to in this town at last, it is to understand that when a story is exposed, it's embarrassing --maybe even when it may be illegal -- you have to put the facts out. And they tried to cover it up. We have the testimony. And "they" means Ronald Reagan.

Dolan: There is a profound interest in the civics lesson that took place in that (hearings) room. And also in the view that we were presented with of exactly how these human beings deported themselves with each other.

Brinkley: The thing that also interests a lot of us is the fact that some of these people -- Poindexter, North -- appeared not to have read the Constitution of the U.S., or have a decent respect for the system of government we have.

Brinkley: Over the years, more in sorrow than anger, I have chronicled more than a few outrages by those on our various public payrolls. And they have ranged from the ridiculous to the hilarious to the stupid. This one is all three. And it happened to me. I received from the District of Columbia tax collector a brisk and officious notice that I have back taxes from the year 1985, which I did not. The amount, they said: 10 cents. One dime. It cost them 22 cents to send me the notice. It gets worse. The notice said that unless the 10 cents was paid immediately by a certified check, the fines and penalties would be \$2,137.32. I have paid the 10 cents, because it's too much trouble to argue with them; the certified check cost \$2.50; with the postage, return receipt and so on, the 10 cents I did not owe has cost me \$4. A \$2,000 fine for a claimed back tax of 10 cents? That's the law, they said. And that concludes today's lesson in democracy in action.

CBS -- **FACE THE NATION**

Moderator: Lesley Stahl. Guest: Rep. Lee Hamilton.

Stahl: We have had three months of public testimony, scores of witnesses, and yet there seems to be a nagging feeling that maybe we still don't know the whole story. What have we learned and what haven't we learned yet?

Hamilton: I don't think we will ever be able to resolve all of the contradictions that appear in the testimony, but I do think several themes emerge. One is a lot of confusion in the decision-making process. Witness after witness testified that they could not get their act together, there was a lot of confusion. Another theme is the lack of accountability, and the lines of authority were not always clear. I think a number of the President's decisions were not crisp and clear. And, of course, another theme I think is the so-called privatization; we were relying to too great a degree upon private citizens, foreigners and foreign countries.

Stahl: The other day President Reagan said he's heard no evidence of lawbreaking, the question of venality. Do you agree with him that it's really a question of chaos and not of lawbreaking?

Hamilton: I've tried very hard to stay away from judgments about breaking laws or not breaking laws. I really don't think that's our role.

Stahl: We almost have two conflicting pictures of the man in charge, a man who drove this policy, and on the other hand, a very conflicting image of a person whose staff ran him and ran away with the policy. Which impression do you have?

Hamilton: I think we have to keep in mind that the witnesses who have appeared before these committees are witnesses who, for the most part, work for the Administration; they are loyal to the President, they want to protect the President; they admire the President; and their testimony has been very much in that direction. I am not suggesting that it's in false testimony, but it certainly has been very protective of the President. What does strike me is that someone has to take responsibility for the fact that the lines of authority were not clear, that decisions were not made in a crisp way. Part of that responsibility rests with the President's staff, but I think the President himself is the person that must take responsibility, too.

 $\overline{\text{Stahl}}$: One thing that has come out is that the intelligence reports that were given to the President by the CIA were often manipulated or fudged to fit the policy. When you get political people in some of these positions as Attorney General or CIA director, are we prone to end up with policies that might be different if you had a more professional person in those positions?

Hamilton: I very much agree with the view that we have to keep a rather strict separation of policy and intelligence.

Stahl: Can you mandate that a professional be the head of the CIA? What can you do? -more-

Hamilton: We can do a lot of things. The question is what's wise to do. We ought not go try to put into statute a lot of very strict requirements; nonetheless, we ought to be very firm in our recommendations, and we must remember, when it might be proposed in the future that the CIA director sit as a member of the Cabinet, some of the lessons of the Iran-contra affair. I am less inclined to think that we should make a lot of recommendations about structure and changes in the law, keeping in mind that presidents have the right to organize the executive branch in large measure as they would like. It's more of a people problem than a structural problem.

Guests: Kenneth Adelman; Ambassador Viktor Karpov.

Stahl: I'd like to ask you how rigid your government is about insisting that (the Pershing 1-A missiles) be removed. What's wrong with just letting them be phased out in about five years?

Karpov: If you speak about warheads, we don't know of which vintage they are; maybe they are brand-new, produced this year. So we should have an equitable agreement, which means that all American warheads for medium-range missiles and operational tactical or short-range INF missiles should be eliminated, along with the Soviet missiles and Soviet warheads of the same classes.

Stahl: Is there any thought that maybe our government would lean on West Germany to allow us to remove our warheads from those missiles so that an INF agreement can be signed?

Adelman: No, no thought at all. I think the Soviets are just engaged in their latest bluff. I think this whole negotiation has been a series of the Soviets bluffing on one issue after another, and we have held firm. And that's why we are in such good shape today. I predict to you that before Gorbachev signs on the dotted line, there are going to be two or three more issues.

Stahl: Let me ask Ambassador Karpov, how optimistic are you that we can get an agreement? Are the Soviets willing to let this fall away over these 72 Pershing missiles in Germany?

Karpov: We feel that this issue is now the stumbling block of the negotiations; it should be removed.

Adelman: Let me just ask my counterpart -- we discussed this issue over the years, and the Soviet side never mentioned the issue of the German Pershings, and, Ambassador Karpov, you had a press conference in mid-May and you listed three obstacles to an INF agreement. Two out of those three obstacles have now been cleared up because of moves we made. The other obstacle is one that the negotiators are discussing in Geneva right now. But the point is that none of the three obstacles you mentioned included the German Pershing Ones.

Karpov: I cannot accept that explanation.

Adelman: Why didn't you mention it in mid-May?

Karpov: We didn't mention Pershing II missiles or their warheads because we didn't hear from you that this might be an obstacle. There was a suggestion introduced after the Reykjavik meeting of the NATO council to eliminate the whole class of SR INF missiles and their warheads, so in this case there should be no exception for American warheads of this class, of any kind. So when we heard about the American exception, that's why we started to discuss it.

Stahl: Are we, Mr. Adelman, unwilling to allow the Soviets to come into our launching sites, as they say?

Adelman: Not at all. The big difference here is the fundamental difference between our societies. Anytime that any Administration would violate an arms control agreement, it would be a lead item in the evening news, it would be the front page of the paper. Now the Soviet Union is a very closed society, even cities are classified in the Soviet Union.

Stahl: Ambassador Karpov, are you willing to allow American inspectors to fly in on their own airplanes, which apparently the Americans are concerned about, to inspect your facilities without you throwing up obstacles --

Karpov: First of all, we suggest that inspectors be present through the whole process of elimination of launchers, missiles, and warheads. So the presence of inspectors should guarantee that there is no cheating. Then we suggest that inspectors be present at the production facilities where production of the missiles should be stopped. Here we have some differences with the U.S. They won't allow us into the factories, although we would feel that that would guarantee the inspection.

Adelman: The U.S. is open for any inspections that the Soviets will have. The devil lies in the detail in arms control, and Ambassador Karpov's words are very good. If we can get that nailed down in the negotiations, then we are on our way.

Stahl: In your opinion, is (the Iran-contra hearings) affecting U.S.-Soviet relations and the arms control negotiations in any way?

Karpov: We feel that what is important now is whether the American Administration is ready and willing to have a deal on missiles with the Soviet Union. We are ready for such a deal.

Stahl: Ambassador Adelman, what happened to the whole Soviet cheating? There's a memo that says that the U.S. should just put that aside so we can get an INF agreement. Has it been put aside?

Adelman: Not at all. And I think that's one of the real hallmarks of this Administration: we have been honest in saying that when the Soviets move ahead in arms control, we are going to move ahead with them; we have been honest in saying they should cut out their cheating.

Moderator: Chris Wallace. Panel: Elizabeth Drew, The New Yorker; R.W.

Apple, The New York Times.

Guest: Soviet Ambassador Alexei Obukhov.

Wallace: For all the posturing on both sides, isn't the medium-range missile deal and a Reagan-Gorbachev summit all but assured at this point?

Obukhov: It all depends on the cooperation of the American side.... So, in case the American side cooperates and responds in a positive way to our far-reaching proposals, then an agreement is close at hand.

Wallace: How big an obstacle, though, are those 72 Pershing missiles in West Germany? Could they really be a deal-breaker at this point?

Obukhov: ...The fact that the U.S. side unexpectedly refused to come to an agreement with us on the question of the elimination of American warheads on the Pershing 1-A missiles...is an obstacle of the negotiations. And this is a serious one. Why we say so? The Soviet side is striving to have a true zero solution on a global scale on medium and short-range missiles. But now we see that the American side, while speaking about the zero global solution on short-range missiles, in fact does not follow what it proclaims. Because if these 72 American warheads are retained on the missiles of this class...then the solution is not zero, not global.

Wallace: Mr. Ambassador...one of the possible compromises U.S. officials are suggesting is that those missiles are very old, they'll be obsolete by the early 1990s, why not just let them phase out and go into retirement while all the other missiles are being phased out. Is that a possible compromise?

Obukhov: We will listen to what Ambassador Kampelman is going to propose. We'll study it and we'll give our answer. Our position as of now and our principle approach is that all the warheads -- all American and Soviet warheads -- on medium and short-range missiles must be scrapped in order to have a real global solution. And this is a serious approach of our; it is not a handicap...

<u>Drew</u>: As I hear you, you said, "As of now, let Mr. Kampelman make a <u>proposal.</u>" Are you saying that if something is offered that implicitly or explicitly says that these weapons would be phased out, in fact you can have the compromise and an agreement?

Obukhov: We are dealing now with a hypothetical situation. What we have now on the negotiating table -- this is our proposal about the global solution. And we want to have a positive answer from the American side and we expect a positive reaction from the American side.

<u>Drew</u>: You are proposing, or demanding, that Soviet inspectors be allowed in American production factories and vice versa...for these weapons. The U.S. says they will only allow you into the periphery. This seems like a bit of a reversal, that you're a very closed society to let people into the factories. But are you saying if we don't let your people in ours, there is no deal?

Obukhov: We are discussing now all the questions pertaining to verification. And you're quite correct about our demand that verification system be very strict to ensure confidence on both sides, that they comply with the agreements. And when we speak about the facilities being inspected, they should be included, if necessary, into this verification system.

Apple: Do you consider verification as important a problem -- as important an obstacle, to use your word -- as the Pershings?

Obukhov: I must say that it is difficult to compare things in this way when you have negotiations. But as I see it now, the Pershing 1-A issue -- the U.S. side is going to make it the main obstacle of the negotiations, as far as medium and short-range missiles are concerned.

Apple: Do you find any ground at all for compromise on the question of Star Wars?

Obukhov: In fact, our proposal, which we introduced on the 29th of last month -- that is our draft agreement on space -- is a compromise proposal.... And this line can be drawn by listing the space-based devices, which may not be launched into space.

Apple: But you insist on linkage between Star Wars and the Strategic Arms Treaty?

Obukhov: That is correct, because this linkage is inherent, impossible to circumvent.

Guest: Ambassador Max Kampelman.

Wallace: Would that be a possible compromise to allow those German missiles simply to be retired when they get too old and agree not to modernize them?

Kampelman: ...We're negotiating the Pershings. It's certainly not something I want to negotiate on television. But I do want to make one point clear. By no stretch of the imagination is the U.S. going to accept any provision which would do damage to our alliance and which would harm our relationship with any ally, just for the sake of entering into an agreement with an adversary.... I don't want to even state what is possible and what is not (regarding a Pershing missile compromise), other than that it is obviously an option that we've already been discussing with the Soviets.

Apple: No matter which way you deal with this question, it's going to affect one of our allies -- to wit, the German Republic. And Mr. Kohl is saying privately, these days, that he would like the U.S. to take the lead on this because it would get him off the hook. What do you say say to that?

Kampelman: I don't know what Mr. Kohl is saying privately to you. He is not saying that privately to me, or to the U.S. government.

Apple: He's saying to you that he would like to make this decision and he wants no American role in it?

Kampelman: I didn't say that either. I'm reporting to you that the U.S. will not agree to a provision which adversely affects an ally in a bilateral relationship. It would be irresponsible for us to do that.

<u>Drew</u>: Why is the U.S. not prepared -- in the context of SDI -- to talk about terminologies such as what is a lab and what is testing, since those seem to be the stumbling parts?

Kampelman: They may be the stumbling parts now raised by the Soviets, but I want to point out something. There is no ambiguity, in our opinion, with respect to the agreement we entered into in 1972 on the ABM treaty. Our position is make the ABM treaty effective by carrying out its premise and its promise. Then we'll sit down and talk with you about other issues.

Wallace: Why do you and the Soviets talk so much now? What ever happened to negotiating in private?

Kampelman: Ever since Moscow learned about Madison Avenue, I think we've got all kinds of these public releases -- which in the first year-and-a-half of these negotiations we were very careful about. I would like to get back to the private negotiating format. I think the American people and the people of the world have a right to be informed of the status of those negotiations.

THE McLAUGHLIN GROUP

Moderator: John McLaughlin. Panel: Eleanor Clift; David Gergen; Morton Kondracke; Robert Novak.

U.S. Escorts in the Persian Gulf:

McLaughlin: Is it time to re-think our U.S. policy?

Gergen: No. Now that we've made the commitment, it's more essential than ever that we stick to it. Whatever credibility we have left in that part of the world would be shredded if we changed U.S. policy yet once again.

Novak: This is a successful operation. It looks now as though the Iraqis have given an indefinite commitment not to attack shipping; the Iranians are talking to the West Germans -- I think you're going to have some very quiet weeks in the gulf and who knows? It may stretch out to a real cease-fire.

Clift: It's a test of American resolve and we can't afford to back down now. But I think the execution of the policy is absolutely embarrassing.

Kondracke: Not a single American ship has been hit by the patrol boats. There hasn't been one life lost -- other than in an ordinary Bahrain operation. There is a reasonably close possibility to a cease-fire in effect and this policy is working.

Novak: A lot of people who are very expert in this area think it is important, the German-Iranian connection. A German takes over this coming week as chairman of the U.N. Security Council. I think there is a real chance of a diplomatic success.

McLaughlin: Can you explain why the Kuwaitis are denying the U.S. landing rights, and furthermore can you tell me why this Administration did not secure -- before we agreed to go in -- those landing rights and the permission to enter the territorial waters of Kuwait?

Novak: There's been a lot of internal Arab politics on this question. It's very delicate. There's a lot of arrangements behind the scenes being made to make sure we can function there.

McLaughlin: Is it now impossible, because of our position, are we cemented in over there (in our policy) and would it be possible for us to run?

Gergen: In the foreseeable future. But we may be able to work out some kind of arrangement over time.

Novak: It is neither desirable nor possible.

Clift: I think we're stuck. We're in there and we can't fail this moral test -- we've failed too many tests in the Middle East already.

Economic Bill of Rights:

McLaughlin: Some think that Mr. Reagan is using this issue to pump life into his presidency. Is Reagan's strategy, or is Ronald Reagan marching in one direction, and the parade of events marching in another?

Clift: I think the President needs to change the subject, and I think the country's ready for him to do that.

Novak: The Economic Bill of Rights is not only boring, it's the wrong subject.

Clift: Arms control is his subject.

Arms Control:

McLaughlin: The hangup continues to be the 72 missiles that West Germany owns. What's going to happen?

Gergen: I think we'll be under increasing pressure from the left to give in on the Germans and it's extremely important that we not pay that price.

Kondracke: The President has a number of things that he actually could be going around the country selling as successes. One of them is the progress in arms control...

McLaughlin: Do you see Shultz in any way enfeebled by his appearance before the Iran-contra committee?

Novak: No. All the Reagan-haters kissed him on both cheeks. I don't think so at all. I have given up beyond hope that the President would say, "George, your time has come." So I don't think he's enfeebled at all.

Chief of Staff:

McLaughlin: (Novak) said that after Col. North's testimony, the Reagan Administration should have gone head-on and forcefully into a confrontational stance on Irangate and argued strongly for contra aid. Howard Baker didn't do that. Instead he moved the President into the Economic Bill of Rights.... On a scale of 0 to 10, how would you evaluate his strategy for handling Ronald Reagan?

Gergen: Six. Novak: Three-and-a-half. Clift: Five. Kondracke: Five. McLaughlin: Five.

Meese, Regan and Weinberger Testimony:

McLaughlin: What's the big Iran story of the week?

Novak: The big Iran story of the week is it's over. Nobody cares.

Clift: Ed Meese came across as the last political innocent. He only thinks you've done something if you have a mask on and you carry six-guns.

Gergen: The critical point is it really is over.

AGRONSKY & COMPANY

Moderator: Martin Agronsky. Panel: Elizabeth Drew, James Kilpatrick, Carl Rowan, Strobe Talbott.

Iran-contra Hearings:

Agronsky: What mattered most last week in the Iran-Contra hearings?

<u>Drew</u>: I think it's the total picture you get. And what we had this week from Mr. Meese, Mr. Regan and the beginning of Mr. Weinberger's testimony was the devastating picture of a lack of trust within the President's top group and also a good degree of ineptitude.

Talbott: The whole thing seemed to matter a little less.

Kilpatrick: There was further confirmation of what was to me one of the great points: did the President know about the diversion of the money to the contras? We've now had every kind of confirmation that could be asked. He did not know about it.

Rowan: I think it was the fact that they got Attorney General Meese to concede that some laws probably were broken. But overall you had Meese, you had Weinberger, you had Regan all throwing this thing back to a couple of military men -- a little junta in the White House -- that some people think staged a coup.

McLaughlin: A coup that apparently Mr. Regan didn't know had taken place.... What did he say that you thought was most significant?

Drew: ... I think there's evidence that Regan may be protesting too much. That he was there for some of these things and he -- not Shultz -- and like Weinberger, did have an opportunity to fight harder and chose not to.

Talbott: Yes, but still the picture that Regan presented serves the President pretty well. I think this plays to the White House's basic defense.

Rowan: ...Regan said some things that also did not serve the President very well. He made it clear that Mr. Reagan knew right up front about the shipment of weapons to Iran, and that, indeed, he knew about the cover story of the oil drilling equipment in advance.

Drew: ...It all gets back to the President who hired these people and did or did not superintend their conduct, as a President is supposed to.

McLaughlin: I think the way the Attorney General functioned in this situation mattered a lot.

Kilpatrick: The way in which he conducted the inquiry doesn't have much to do with our examination of the whole falling apart of the process within the White House.

The Persian Gulf:

Agronsky: The minesweepers are sitting in Charleston, S.C. What in the world is happening out there with the U.S. Navy?

Kilpatrick: I was aghast that it didn't occur to them to look for mines.

Drew: For some reason, no one in the U.S. government seemed to anticipate this.

Rowan: One of the things that still bothers me is the extent at which the U.S. is out there alone.

Talbott: No Arab nation is going to be able, easily, to accept any kind of American basing rights on its territory.

Arms Talks:

Agronsky: Two very important policy concerns that are before the President: an arms treaty and a summit.

Talbott: The one thing I found is that there's almost as much interest in Moscow in the Irangate hearings as there was here in Washington. And that's partly, I think, why the Soviets applied the brakes.

Rowan: ...It's going to scare a lot of people who are not conservatives, if they get reason to believe that an arms deal is part of Reagan's survival kit.

Kilpatrick: I'm not interested in an agreement. I want a verifiable agreement.

Drew: If they try to attach SDI, I think it might be dead in the water.

Abortion Funding:

Agronsky: President Reagan now says his Administration is going to move to deny federal funds to any organizations involved with abortion-related services. Can he get away with that?

Rowan: I think this is grandstanding.

Kilpatrick: I'm not going to take any strong stand for him. I want to get Roe v. Wade repealed and turn this whole thing back to the states.

-End of News Summary-



News Summary

OFFICE OF THE PRESS SECRETARY

MONDAY, AUGUST 3, 1987 -- 6 a.m. EDT EDITION

TODAY'S HEADLINES

INTERNATIONAL NEWS

Iran Show Of Force To Begin -- Iranian naval, air and ground units will begin maneuvers in the Persian Gulf, the Strait of Hormuz and the Gulf of Oman, after a reflagged Kuwaiti tanker and its U.S. naval escorts pass through the waterway.

(Christian Science Monitor, USA Today, Washington Times)

IRAN-NICARAGUA

Meese, Unlike Reagan, Sees Possibility Laws Were Broken -- Attorney General Meese said that laws may have been broken in the Iran-contra affair, contradicting President Reagan's assertion that there is no evidence of criminality. (Washington Post, Washington Times)

NATIONAL NEWS

Meese Expects Quick Nod For Bork -- Confirmation of Robert Bork should be quick, Attorney General Meese said, after the judge got a boost from a nationwide poll of judges and a member of the high court.

(Washington Times, UPI)

NETWORK NEWS (Sunday Evening)

PERSIAN GULF -- The latest U.S.escorted convoy appears to have made it safely without incident.

MECCA RIOT -- The demonstrators in Tehran called for the bloodshed to be avenged.

IRAN-CONTRA -- Edwin Meese says laws may have been broken.

My Little Patch of Blue

The buck stopped with the admiral;
There was no smoking gun.
Dan Rather and Tom Brokaw, who
Had hoped to see some fun,
Look listless, while Sam Donaldson
Still pokes among the coals
In desultory fashion, as
He mutters at the polls.

W. H. VON DREELE

AUGUST 14, 1987 / NATIONAL REVIEW

IRAN PLANS STRIKES HERE AND IN GULF U.S. Blamed For Mecca Toll

Iran not only is stepping up its anti-American rhetoric but now is actually preparing for terrorist attacks against U.S. targets in Washington and the Persian Gulf, U.S. intelligence sources said.

Iran is focusing its attention on key government buildings and military and industrial facilities in Washington and on targets in Kuwait and the United Arab Emirates, the intelligence sources said.

Following the deaths of 402 pilgrims, including 275 Iranians, in the holy city of Mecca in Saudi Arabia, Iranian Interior Minister Ali Akbar Mohtashemi warned that the Iranian-backed Party of God (Hezbollah) would take revenge through "direct attacks on U.S. interests all over the world."

"The Iranians have the capability of striking in Washington," one source said, indicating that law enforcement agencies had stepped up their surveillance of certain Iranian and Lebanese nationals in the U.S.

(James Dorsey, Washington Times, A1)

Gulf: Navy Set For 'Day Of Hatred'

BAGHDAD, Iraq -- Iran heightened tensions in the Persian Gulf, vowing revenge against the USA for the deaths of hundreds of pilgrims in Mecca.

With Iran calling for a "day of hatred against the United States," the U.S. Middle East Task Force commander, Rear Admiral Harold Bernsen, said aboard the LaSalle, "I have every reason to expect that they are going to do something."

In Beirut, the pro-Iranian terrorist group Islamic Jihad said it planned to punish Saudi Arabia for the Mecca deaths -- and released a photo of USA hostage Terry Anderson, driving home the point that it still holds Anderson and Thomas Sutherland. (Don Kirk, USA Today, A1)

Iran Show Of Force To Begin

TEHRAN -- Iranian naval, air and ground units will begin maneuvers in the Persian Gulf, the Strait of Hormuz and the Gulf of Oman, after a reflagged Kuwaiti tanker and its U.S. naval escorts pass through the waterway.

The Islamic Republic News Agency reported yesterday that the exercises would be code-named "Martyrdom," and be carried out by Iran's Revolutionary Guards militia during three days.

The commmander of the Guards' naval branch, Ali Reza Alaie, has warned that his forces were prepared to impose a naval blockade on Kuwait, if ordered, and top "destroy" all ships heading for Kuwaiti ports.

(Washington Times, A5)

Tougher Times Ahead In The Gulf; Iran Is Expected To Test U.S. Resolve In Gulf Soon

"Iran believes it is only 10 to 12 dead Americans from another victory (over the U.S) ... and sadly it may well be right," a well-placed U.S. official laments.

He and other officials and analysts are worried that Iran has found America's soft underbelly -- a lack of will to accept the loss of American lives. They say Iran may soon test U.S. resolve, probably with a new terrorist action. (E.A. Wayne, Christian Science Monitor, 1)

IRAN VOWS TO AVENGE PILGRIM DEATHS IN MECCA Islamic Jihad Threatens Saudi Rulers

TEHRAN -- With more than a million angry Iranians massed in front of Parliament, Parliament Speaker Hojatoleslam Ali Akbar Hashemi Rafsanjani intensified Iranian threats against Saudi Arabia, vowing to "uproot Saudi rulers" to avenge the deaths of 275 demonstrating Iranian pilgrims in the holy city of Mecca on Friday.

"We, as soldiers of God and implementers of divine principles, oblige ourselves to avenge these martyrs by uprooting Saudi rulers from the region," Iran's official Islamic Republic News Agency quoted Rafsanjani as saying.

Tehran Radio said that Iranian Interior Minister Ali Akbar Mohtashemi sent a message to his Saudi counterpart, Prince Nayef ibn Abdulaziz, threatening to avenge the Mecca violence and saying Iran would also retaliate against the U.S. (Deutsche Presse-Agentur, Washington Post, A1)

Iranian Officials Urge 'Uprooting' Of Saudi Royalty

CAIRO -- Iran, vowing to avenge the deaths of hundreds of Iranian pilgrims in a riot in Mecca, called for the "uprooting" of the Saudi Arabian royal family, raising the specter of religious war in the already tense Persian Gulf.

Warships in the U.S., which Iran has accused of complicity in the Mecca riot, are escorting Kuwaiti oil tankers, in effect supporting Iraq. France, embroiled in its own diplomatic dispute with Iran, has dispatched a naval task force to the gulf. (John Kifner, New York Times, A1)

TURKEY STAYS NEUTRAL IN PERSIAN GULF WAR Ankara Is Not Fond Of Either Iraq Or Iran

The initial meeting between an Iraqi official and an Iranian at an out-of-the-way luxury hotel along the Bosporus earlier this week hardly drew any notice in this exotic crossroad city between Europe and Asia.

Since the beginning of the Persian Gulf war between Iran and Iraq in 1980, Turkey has sought to walk a tightrope of neutrality between its two warring neighboring states, seeking friendship and business with both while having little sympathy or fondness for either.

"Our motto is that we like to keep friendly relations with all our neighbors," explained Adnan Kahveci, the principal adviser to Prime Minister Turgut Ozal. "We also know that our neighbors are there to stay so we must get along with them." (Lore Jenkins, Washington Post, A17)

PHILIPPINES MINISTER MURDERED Communist Assassins Widely Believed Behind Killing

MANILA -- Three men armed with revolvers and an automatic machine pistol shot and killed Local Governments Secretary Jaime Ferrer, a staunch anticommunist and one of the most powerful members of President Aquino's Cabinet.

No one immediately claimed responsibility for the dramatic slaying, the first ever of a sitting Cabinet member. But it was widely believed to be the work of a communist assassination squad, known as "sparrow units," because of Ferrer's role in advocating a network of anticommunist vigilante groups around the country.

The slaying, if linked to the communists, would mark a dramatic escalation of the radical left's campaign of urban warfare, which has already claimed the lives of dozens of top-ranking police and military officers over the last five months. (Keith Richburg, Washington Post, A1)

Pro-U.S. Filipino Politician Murdered

MANILA -- Jaime Ferrer -- a staunchly pro-American, anti-communist member of President Aquino's Cabinet -- was shot and killed near his suburban Paranaque home as he was returning from church.

President Aquino called the slaying "senseless and barbaric." Aquino, who rushed to the hospital shortly after the attack, said through a spokesman that the killing "shocks me beyond words." She said "Jimmy Ferrer was a gentle and honest man."

The Cabinet minister, the most conservative in the Aquino administration, actively supported right-wing vigilante groups after they began forming late last year to fight the communists.

Ferrer, 70, was ardently pro-American and often was accused by leftists of working for the CIA, an allegation that he repeatedly denied.

(Tom Breen, Washington Times, A1)

ARMS NEGOTIATOR SUGGESTS WAY AROUND IMPASSE

The Reagan Administration's chief arms negotiator said that the major obstacle to a U.S.-Soviet agreement eliminating intermediate- and short-range nuclear missiles could be overcome outside of the Geneva talks.

But Ambassador Max Kampelman reiterated that the U.S. would not resolve the issue in bilateral negotiations with the Soviets.

In an interview following his television appearance, Kampelman said the Administration's opposition does not rule out the possibility of a separate arms agreement that involved West Germany or the NATO alliance.

If the Soviets advanced a compromise proposal, "We would take it up with our allies," Kampelman said in the interview.

(David Hilzenrath, Washington Post, A16)

Moscow To Consider Compromise In Dispute With Bonn On Missiles

A senior Soviet arms negotiator said that Moscow would consider a compromise to resolve differences over West Germany's short-range Pershing 1A missiles.

The Soviet Union has called the missiles the main barrier to an agreement with the U.S. to ban American abd Soviet medium-range and shorter-range nuclear-armed rockets.

(Michael Gordon, New York Times, A1)

Soviet Officials Indicate Compromise On Arms Accord Obstacle

A Soviet official, in an apparent attempt to overcome a major obstacle to a superpower arms control agreement, indicated that the Soviets might compromise regarding U.S. nuclear warheads on West Germany's Pershing 1A missiles, but they have not yet seen a U.S. proposal on the matter.

Max Kampelman, meanwhile, insisted that the U.S. would not accept a provision in an arms-reduction treaty that affects the missile strength of any of its allies.

The subject came up during an NBC-TV "Meet the Press" interview with the Soviets' deputy arms negotiator, Alexei Obukhov. Asked about a U.S. provision in which the 72 aging Pershing missiles are simply phased out by obsolescence in the early 1990s, Obukhov replied the Soviets would not rule out such a plan.

"No, I'm not. I cannot speak for the American side, whatever its proposal could be," he said. "I am speaking about the Soviet side, and I am explaining the logic of our proposal -- why we are insisting on the American warheads, and not missiles which belong to the West Germans, to be scrapped."

(Donna Cassata, AP)

Germans Concerned About Appearing To Block Arms Accord

BONN, W. Germany -- West German officials, while insisting on keeping this country's Pershing 1A missiles out of a superpower arms accord, privately have expressed concern about being seen as an obstacle to a historic pact.

American negotiators, backing Bonn, have repeatedly said the Pershing 1As belong to the West Germans and are not subject to Soviet-U.S. arms talks in Geneva.

Officials say the Soviet demand to include the Pershing 1As in any accord is designed to cause tension in the NATO alliance and the Bonn coalition government. (Kenneth Jautz, AP)

SOVIET DEFENSES COULD BOOST 'STAR WARS' DEPLOYMENT COST TO \$1 TRILLION

Soviet countermeasures to a U.S. "Star Wars" missile defense system could boost the cost of deploying the weapons to as much as \$1 trillion, a congressional study says.

The Congressional Research Service says its findings have "disturbing implications" because "many of the variables that will drive up (Star Wars) launch costs are influenced partially or completely by Soviet actions."

"If the Soviets do not cooperate, however, the launch costs for such a defense could skyrocket...The lack of U.S.-Soviet offensive arms limitations has the potential to drive up launch costs still more," the report says.

(AP)

ARMACOST DISCUSSES PAKISTANI NUCLEAR PROGRAM

State Department troubleshooter Michael Armacost is meeting with Pakistani officials to seek assurances that Islamabad will not build nuclear weapons, a Western diplomatic source says.

The source, who requested anonymity, said the undersecretary of state for political affairs, in meetings with two Pakistani Cabinet members, discussed the possibility of on-site inspection of the Asian nation's secret uranium enrichment facility.

Site inspection would ensure that uranium enrichment at the Kahuta laboratory, 20 miles southeast of Islamabad, stayed within acceptable levels for peaceful nuclear research and power generation, the source said.

(Jack Reed, UPI)

VESSEY REPORTS 'PROGRESS' IN HANOI MIA TALKS

HANOI, Vietnam -- Senior U.S. and Vietnamese negotiators met Monday for the final round of talks aimed at resolving the fate of nearly 1,800 American servicemen listed as missing in action in Vietnam.

Gen. John Vessey, a presidential envoy, the most senior American official to visit Hanoi in a decade, reported some progress in his talks with Vietnamese Deputy Prime Minister and Foreign Minister Nguyen Co Thach. But neither side has given any details of the discussions aimed at reviving cooperation on the MIAs.

The U.S. would like to resume an exchange of information and approval for further joint excavations of crash sites of American (UPI) warplanes.

Ex-General Hopeful About MIA Talks

Gen. John Vessey's devotion to duty didn't stop when he retired in 1985 as chairman of the Joint Chiefs of Staff.

President Reagan sent Vessey to try to persuade Vietnam officials to resume efforts to find out the fate of 1,776 U.S. soldiers listed as missing. (USA Today, A2)

U.S.-JAPAN RELATIONSHIP: ALLIANCE MARKED BY PARADOX Closer Ties Result In More Dissatisfaction

TOKYO -- The closer that Japan and the U.S. move together, the more unhappy each becomes with the other. That is the paradox of relations between the two countries, the great "odd couple" of the western alliance, as they pass through the late 1980s.

Two-way trade across the Pacific has mushroomed to \$110 billion a Each country is hosting more of the other's citizens then ever before (half a million Japanese will visit the U.S. in July and August Military cooperation has moved to new levels in the field and seems about to expand to research on the "Stars Wars" antimissile program.

Yet in the U.S., people increasingly view Japan as a predator bent on wiping out American industry and affluence with a bag of economic dirty tricks. In Japan, some people have a counterpart sentiment of the U.S. as a bully lashing out irrationally at a country that is guilty of nothing more than hard work and efficiency.

(News Analysis, John Burgess, Washington Post, A1)

MEESE AIDES STAYED CLOSE TO INQUIRY AFTER ITS SHIFT TO CRIMINAL DIVISION Iran-Contra Deposition Shows Justice Department Power Struggles

Attorney General Meese top aides, who helped him conduct the initial fact-finding inquiry that led to last fall's discovery of the diversion of funds to the contras, stayed closely involved with the investigation even after it was turned over to the Justice Department's Criminal Division, according to a deposition released by the Iran-contra committees last week.

In the deposition, Asst. Attorney General William Weld, the head of the Criminal Division, described tension between Meese's close advisers, Asst. Attorneys General William Bradford Reynolds and Charles Cooper, and Criminal Division lawyers and FBI agents over the handling of the inquiry.

Weld's deposition offered an unusual glimpse of behind-the-scenes power struggles at the Justice Department last fall as officials there scrambled to respond to the revelations of the arms-for-hostages deal and the diversion to the contras of funds from arms sales to Iran.

(Ruth Marcus, Washington Post, A3)

Meese, Unlike Reagan, Sees Possibility Laws Were, Broken

Attorney General Meese said that laws may have been broken in the Iran-contra affair, contradicting President Reagan's assertion that there is no evidence of criminality.

Mr. Meese restated his belief that it would be a "tragedy" if Oliver North or John Poindexter went to prison for their key roles in the diversion of Iranian arms sales proceeds to the Nicaraguan resistance.

(Mary Belcher, Washington Times, A3)

FOR SOME, HEARINGS WILL GO OUT WITH A YAWN

"I sense a spirit of winding down," said Sen. Daniel Inouye, the understated Democrat from Hawaii, who has presided over the Iran-contra hearings for three months.

Others sensed a pell-mell race for the finish ever since John Poindexter claimed he alone ordered the diversion of Iran arms profits to the contras. (Leslie Philipps, <u>USA Today</u>, A5)

Reagan's 'Yelling' May Skirt Scandal

President Reagan, chafing under a self-imposed silence, promised as soon as the Iran-contra hearings ended, he'd stand on the roof and yell."

But Reagan, who delivers his long-awaited speech next week, may soften his tone: Advisers think his best tactic is to look beyond the scandal.

(Johanna Neuman, USA Today, A5)

CONGRESSMAN COLLECTS MEDICINE FOR CONTRAS

Antibiotics, bandages and other medical supplies desperately needed by doctors treating wounded Nicaraguan resistance forces will be airlifted to Honduras this week -- compliments of an Ohio congressman and the testimony of Oliver North.

The medical supplies come at a critical time as a teletyped report last week from a Nicaraguan resistance command post on the northern front reveals the recent -- and successful -- escalation of fighting against the Marxist Sandinista forces. (John McCaslin, Washington Times, A2)

REAGAN'S WARRING IMPULSES

As the Iran-contra hearings fade off into the sunset, they leave behind a troubling portrait of a president who was strangely victimized both by his best and worst impulses.

Reagan's best impulses are to help fellow Americans, in this case hostages still held captive in Lebanon. The hostages were, in the words of Donald Regan, the human "bait" that kept the Iran initiative going long after a more hard-edged and thoughtful president would have realized he was being hoodwinked.

Reagan's worst impulses have always been his tendencies to oversimplify and overdelegate. He governs by reducing complex issues to simplicities of lower taxes and anticommunism and relying on others to carry out the policies embodied by the slogans. Blending what has delicately been referred to as Reagan's "management style" with his determination to help the Nicaraguan contras was a combustible mix, even if Oliver North had not been present to light the fire.

(Lou Cannon, Washington Post, A2)

GRASS-ROOTS ACTIVISTS MOBILIZE AGAINST BORK NAACP's Neas Urges 'Low-Keyed' Approach

CHICAGO -- Divided in their choice of a Democratic presidential candidate, grass-roots activists vowed to mobilize against Senate confirmation of Judge Robert Bork's appointment to the Supreme Court.

The weekend "retreat" of about 1,200 organizers of consumer, civil rights, feminist, environmental and "public interest" groups wound up with Sen. Edward Kennedy whipping up enthusiasm for the fight against President Reagan's latest court nominee.

Kennedy derided the White House "public-relations campaign to portray Robert Bork as a moderate conservative. Those public-relations advisers must be smoking Admiral Poindexter's pipe," he gibed.

(David Broder, Washington Post, A3)

POLL SHOWS HALF THE JUDGES WOULD SUPPORT BORK NOMINATION

The Supreme Court nomination of Robert Bork received approval from half the state and federal judges surveyed by the National Law Journal.

Fifty percent of the 405 judges said they would vote to confirm Bork's nomination if they served in the Senate, while 24 percent said they opposed the nomination and 26 said they didn't know, according to the poll in the Aug. 10 edition of the journal.

The survey questioned the jurists on a broad range of issues related to the debate over Bork's nomination, including abortion and the role a nominee's political philosophy should play in confirmation. (UPI)

Meese Expects Quick Nod For Bork

Confirmation of Robert Bork should be quick, Attorney General Meese said, after the judge got a boost from a nationwide poll of judges and a member of the high court.

"By the time they see Judge Bork in person, by the time they examine his history and background, and by the time they evaluate his capabilities, his philosophy, his apoproach to the judiciary, I think they're going to vote for him and I think they're going to vote against the filibuster," Meese said... (Gene Grabowski, Washington Times, A4)

WOMAN IN KEY ABORTION CASE OPPOSES BORK

The woman whose pregnancy led the Supreme Court to legalize abortion stepped into the battle against the nomination of Robert Bork to the USA's highest bench.

Norma McCorvey, 39, now a Texas businesswoman, told 350 protesters at a rally in Dallas that Bork is a mistake.

"The nomination ... represents a threat to our personal privacy," McCorvey said. "It is an insult to every woman who has had to face the decision about an unwanted pregnancy." (USA Today, A2)

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CANDIDATES OF ALL STRIPES URGE CURBS ON DEFENSE BUDGET

From Pat Robertson and Paul Laxalt on the Republican right to Jesse Jackson and Rep. Patricia Schroeder on the Democratic left, 1988 presidential contenders are telling audiences around the country that the time has come to end the Reagan military buildup.

A majority in Congress has already made it clear that the large Reagan buildup will be stopped, at least in the upcoming fiscal 1988 budget. Rejecting the Administration's request for another defense spending increase, Congress seems likely to approve at most a budget that would hold the Pentagon at its current spending level with an adjustment for inflation.

Within the Administration, President Reagan and Defense Secretary Weinberger say it would be a mistake to end the pattern of regular annual increases in defense spending that has prevailed for the past decade. They contend that the Pentagon budget must be increased at an annual rate greater than the rate of inflation for at least five more years to assure security.

(T.R. Reid, Washington Post, A4)

HOUSE, SENATE FACE SHOWDOWN OVER DEBT LIMIT

The House and Senate, facing an urgent deadline this week for an agreement on how to raise the debt limit, are ready for a showdown on accompanying proposals to rewrite the balanced budget law.

Lawmakers have until midnight Thursday to agree on a debt limit package that can win President Reagan's signature. If they fail, the current \$2.32 trillion debt ceiling will drop to \$2.1 trillion and the government will face what Senate Democratic leader Robert Byrd last week called "a heck of a mess."

As a last resort, Congress and the President could agree to another in a series of temporary debt limit extensions, but that idea is unpopular.

(Linda Werfelman, UPI)

EDUCATION CHIEF BENNETT A Study In Controversy

Education Secretary Bennett is just back from a spin through Europe, where he met at length with British Prime Minister Thatcher and visited with Pope John Paul II. He stopped by the Berlin Wall, lectured a West Berlin audience on the need to defend against totalitarian threats, and, upon his return to American soil, called in reporters to recount his travels.

He has stepped into Republican politics, delivering a keynote address at a party gathering in March, just a year after his conversion from the Democratic ranks. And he has become one of the most vocal Reagan stalwarts, repeatedly scolding Republicans from deserting their president in the heat of the Iran-contra affair.

Bennett's departure from the traditional bounds of his post has separated him from his predecessors and transformed the secretary of this relatively small, low-level agency into one of the most visible Cabinet members. In the process, he has been faulted for what critics see as inappropriate and opportunistic self-promotion. But others like his willingness to take controversial stands.

(Barbara Vobejda, Washington Post, A1)

NETWORK NEWS SUMMARY

(Sunday Evening, Aug. 2, 1987)

PERSIAN GULF

CBS's Forrest Sawyer: The U.S. is scrambling tonight to regain its balance in the Persian Gulf. Eight minesweeping helicopters loaded onto Air Force cargo planes are being rushed to the gulf to help locate mines like the one that blew a hole in the side of a reflagged Kuwaiti tanker. Also on the way to the gulf: the USS Raleigh, an amphibious assault ship which will help support those helicopter minesweeping operations. The Navy's tanker escort is proceeding without the minesweepers. One tanker has made it through the gulf.

CBS's Alan Pizzey reports details on the convoy operation -- and that the Bridgeton is ready to go, two-thirds full of oil and ready for the decision to sail. Meanwhile, regional problems are fanning the gulf war flames. Violent clashes involving Iranians have prompted a storm of threats of Tehran. In Kuwait, the U.S. Embassy was partially evacuated today because of a bomb threat. Iranian revolutionary guards will start three days of gulf naval maneuvers, code-named "Martyrdom," on Tuesday. (CBS-Lead)

NBC's John Hart: The Associated Press reports tonight that a Kuwaiti tanker carrying volatile liquified petroleum gas was escorted safely out of the Persian Gulf today by two U.S. Navy warships, passing through the Strait of Hormuz where Iran promises to hold maneuvers code-named "Martyrdom" this week. But the U.S. Navy refuses to confirm that the tanker is past the Strait.

NBC's Jim Miklaszewski reports on the details of the Gas Prince's journey through the Strait, much to the relief of the U.S Navy.

(NBC-Lead)

ABC's Sam Donaldson: The latest U.S.-escorted convoy in the Persian Gulf appears to have made it to safety without incident. The Kuwaiti tanker Gas Prince and its U.S. Navy escorts, which left Kuwait yesterday, have cleared the Straits of Hormuz at the gulf's entrance, according to shipping sources, and presumably are clear of the danger area. And now another Kuwaiti tanker, the mine-struck Bridgeton, is ready to make its own try.

ABC's Mike Lee reports the departure of the Gas Prince took place yesterday amid a news blackout, and that the U.S. Navy would not say when the Bridgeton would pass through the gulf. (ABC-Lead)

MECCA RIOT

Sawyer: In Beirut the pro-Iranian Islamic Jihad, a group believed to be holding American hostages, has called for reprisals against Saudi Arabia for that violence in Mecca that left 400 dead. A photo of hostage Terry Anderson accompanied that message.

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CBS's Doug Tunnel reports that up to 12,000 demonstrators in Tehran today called for the bloodshed in Mecca to be avenged. Militant Shiite Moslems in Lebanon chanted anti-American and Saudi slogans. Probably the last thing U.S. Navy planners considered when they chartered America's new course in the gulf was the date on the Islamic calendar, and the fact that just as the first American flags flew from two Arab ships, more than 2 million Moslems were gathering in Saudi Arabia for the ritual pilgrimage to Mecca. That coincidence did not escape Ayatollah Khomeini, who called for demonstrations in Mecca while bitterly condemning U.S. policy last week.

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

IRAN-CONTRA HEARINGS

Hart: Secretary Weinberger is back for a final day of testimony on the Iran-contra deals tomorrow. Then the committees will hear some testimony in private and then write their report. President Reagan will have his report out before the committees do, promising to speak out in the next couple of weeks.

NBC's Jamie Gangel: With the hearings coming to an end, the President renewed his vow last week to address the Iran-contra scandal.

(President Reagan, Thursday file footage: "I am going to speak out on that whole subject and the subject of this whole affair." Reporter: "When?"

The President: "When the hearings are over.")

But in fact White House aides admit the President does not plan to respond in detail and will probably never address many of the inconsistencies and charges of illegal activity. Instead, White House strategy is to play down the speech and take the offensive by announcing a new presidential order. Behind the scenes, White House aides have been working out an agreement with Congress to share more intelligence on covert operations. The strategy is to make this public right before the President's speech, so the President can use it to put the scandal behind him and assure the public it cannot happen again. And aides say the President also plans to use Oliver North's popularity in public opinion polls to push for more contra aid. (TV coverage: File footage of President in Cabinet meeting; with congressional leaders in White House; walking to to West Wing.)

The goal, according to former Reagan aide David Gergen, is to show the President taking action to answer criticism.

(Gergen: "The country's basically made up its' minds about what happened. Opinion has crystalized. So that in one speech the President cannot repair the credibility and damage that he's suffered here in the last few months.")

Some committee members feel the President's credibility won't be restored unless Mr. Reagan himself answers questions. But the White House has flatly dismissed any suggestion of an appearance before the committee or a press conference. Aides say news questions now would just bog the President down. And some aides are even debating whether there should be an Oval Office address. Admitted one: now that the hearings are ending, the more we can ignore this, the better. (NBC-3)

Donaldson: Attorney General Edwin Meese said today he believe laws may have been broken in the Iran-contra affair. Only last Friday, President Reagan said he hadn't heard a single word that indicated in any of the testimony that laws were broken. But on ABC's "This Week with David Brinkley," Meese said he wouldn't have launched the criminal investigation last November -- and sought the appointment of an independent counsel -- if he hadn't thought laws could have been broken. Meese said he thinks the President meant that the Administration as a whole was not seeking to break the laws. Asked about his own problems with an independent counsel, and whether he will resign as Attorney General if he's indicted in the Wedtech matter, Meese replied confidently, "I've done nothing wrong. I'm not going to be indicted."

ARMS CONTROL

Sawyer: The U.S. and the Soviet Union are pushing ahead toward an arms treaty in Geneva. Today, they put the debate over the unresolved issues to the airwaves.

CBS's Jacqueline Adams: Though both sides have recently expressed confidence that an arms control agreement can be reached, the negotiators for the U.S. and Soviet Union engaged in a bit of televised jousting today. A sticking point is the destruction of West Germany's 72 Pershing 1-A missiles.

(Alexei Obukhov, Soviet arms negotiator: "The American side, while thinking about the zero global solution on short-range missiles, in fact does not follow what it proclaims. Because if these 72 American warheads are retained on the missiles...then the solution is not zero.")

Since the Soviets first raised this issue in late April, neither they nor the Kohl government has blinked. President Reagan, however, has made one concession. He's promised not to modernize the nearly obsolete warheads. His advisers hope the Soviets will eventually give in.

(Max Kampelman: "There is absolutely no way, in my opinion, that the President would agree to any provision that would not be in the best interests of the United States and its allies."

Kenneth Adelman: "Anybody who knows about negotiating with the Soviets realize that they bluff very often. And if these negotiations show anything, it's to show that you have to withstand the Soviet bluff, without giving ground, and the Soviets will come around.")

Despite this conflict over the West German missiles, both the Reagan and Gorbachev governments are making plans for another summit. Both sides know time is running short to get an arms control deal through the Senate before the end of the Reagan presidency.

(CBS-5)

Donaldson: There was a suggestion today of Soviet flexibility concerning one of the remaining obstacles to a new arms control treaty. A Soviet official hinted Moscow may be ready to modify its hardline position on how to handle Pershing missiles systems owned by West Germany.

(ABC's Rick Inderfurth: The end game in negotiations on the medium and short-range missile agreement has arrived: that period when the final tradeoffs and concessions are made. Today, the Soviets appeared to open the door a bit on their demand that the U.S.-controlled nuclear warheads on West Germany's 72 Pershing 1-A missiles be included in the deal.

(Karpov: "This issue is now the stumbling block of the negotiations. It should be removed."

Obukhov: "Our position as of now, and our principle approach, is that all the warheads -- all American and Soviet warheads on medium and short-range missiles -- must be scrapped.")

But that, as of now, from Soviet arms negotiator Obukhov, suggests Moscow may be willing to accept a compromise. (ABC-4)

MIAS

Sawyer: In Hanoi, presidential envoy John Vessey is winding up the highest level MIA talks in 10 years. The former chairman of the Joint Chiefs wants more information about the 1,776 Americans still listed as missing in action in Vietnam.

CBS's Richard Wagner reports Gen. Vessey, on arrival in Hanoi, immediately put to rest -- at least for public consumption -- widespread speculation that he'd brought with him from Washington some kind of breakthrough initiative. The general declined comment on renewed Vietnamese requests for humanitarian aid.

(Shultz: "Humanitarian reciprocity is one thing. But any attempt to trade information on our missing men for economic aid is another. We cannot agree to this.")

There is a tight lid on the government talks, but the events reporters can witness appear cordial. Gen. Vessey and his party are scheduled to leave tomorrow. Both sides seem to hold out some hope for a positive outcome. (CBS-7, NBC-9, ABC-5)

SOVIETS/ISRAELI RELATIONS

Sawyer: One nation that wants to raise its profile in the Middle East is the Soviet Union. As part of this campaign, some Soviet diplomats are spending the summer in Israel.

CBS's Bob Simon reports that the Soviets insist they are in Israel on a purely technical mission -- to survey Russian-owned property and do some consular work.

(Shimon Peres, Israeli foreign minister: "I found them not so quick in saying 'Nyet.' Which means that the positions are as holy and decadent as they used to be."

While the Soviets are villified because of their persecution of Jews, they are loved and longed for because so much of Israel was made in Russia: the culture, the ideas, the people. (CBS-2)

BORK/POLL

Hart: A poll of 405 state and local judges finds about half of them would vote to confirm Supreme Court nominee Robert Bork if they were members of the Senate. Twenty-four percent said they opposed Bork; the rest were undecided. The nomination of the conservative Bork has been opposed by liberals.

(NBC-14)

AIDS/JUSTICE DEPARTMENT

Hart: The Justice Department says no police officer has caught AIDS from any prisoner or anyone being arrested. But it recommends police departments quickly adopt clear-cut policies on handling infected people, including the use of gloves.

NBC's Jennifer McLogan reports on the growing number of police officers using protective measures, apparently not waiting for the Justice Department's guidelines. Gays in New York disagree on the danger. Nevertheless, the Justice Department report found that two-thirds of police officers surveyed were concerned about being infected with the AIDS virus through casual contact. (NBC-4)

ALASKA OIL/CONGRESS

Donaldson: A far different kind of battle is being fought in Alaska and in the halls of Congress, between oil companies and environmentalists. At issue is whether to open up Alaska's Arctic National Wildlife Refuge for oil exploration and change forever how the native wildlife and human populations live.

ABC's Roger Peterson interviews oil company geologists, environmentalists, local Alaskan officials and native Indians to assess the impact of the proposal. Congress is faced with deciding whether the country's future oil needs outweigh desires to keep this part of the Arctic untouched.

(ABC-8)

-End of B-Section-

ABC -- THIS WEEK WITH DAVID BRINKLEY

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

Guests: Sens. DeConcini and Heflin.

Brinkley: I believe you have both avoided so far saying how you intend to vote. Why don't you tell us now?

DeConcini: I can only reiterate that I have not made up my mind.... I think the man is entitled to a fair hearing, one that will go into his philosophy, go into his temperament, go into his judicial and academic background. We all have a test, and many times it's based on rationalization -- whether or not he has the capabilities to see all issues, even though he may be predisposed in one way. Does he have this capacity in his mind? That's going to take some questions. And I want some answers from him.

Heflin: I think we ought to keep an open mind. Particularly as Democrats, and hear the witnesses on the hearings. The hearing process does serve a function.

Brinkley: Your chairman has already announced that he's opposed to it. Do you think that's wise?

Heflin: Our chairman and I, we differ some. But we all differ.

Will: One of the threats is that people have not only already made up their mind to oppose Bork, but plan to stage a filibuster to keep it from coming to a full vote in the Senate. Do you think 60 votes can be had to end the filibuster against Bork?

DeConcini: My guess is today they could. It's a little bit premature to judge, because we don't know what may come out in the hearings. But it plays both ways. A lot of Republicans, those who are not in the Judiciary Committee -- I've talked to four or five, more than five of them -- they're for Bork no matter what. I think they would support Mickey Mouse or Darth Vader if the President sent them up. That isn't being open about the process either.

Will: Sen. Heflin, would you have trouble voting to limit Senate debate in order to bring the court up to full strength?

Heflin: Yes, I'd naturally have that. I differ a little with (DeConcini). I think it's going to be difficult. There are several Republicans in my judgment that because of certain issues may well vote against cloture, and vote against Bork.

Donaldson: Let's assume Judge Bork is found to be intellectually qualified; has a very good distinguished record as a judge from the standpoint of using his mind and having legal training; and let us assume that there are no problems with moral questions, ethical questions, and it comes right down to his own judicial philosophy. Does the Senate role not only give you the right, but let us say require you to weigh that, and if you find that it is not your philosophy, or that of your constituents, to vote against it?

Heflin: Let me say that brings it down to where I think that the ideology is an element. I don't think it's the only element. But in the way your question is phrased, I think you have to consider that, along with his political philosophy. You have to also consider his propensity to activism. And you can have activism to the right as well as to the left. I'm conservative. Generally, I like his conservative bent. But I do not want an activist in that role.

DeConcini: I really agree with Sen. Heflin almost totally. When you get to ideology, you can't dismiss it. But I would not vote totally for someone -- I would not make a decision based purely on the ideology. I'm not looking for someone to go out on the extreme, on the right or the left, to interpret this Constitution. I want someone, and I think my constituents want me to do the best I can to objectively look at someone; can they look at all the issues, and by gosh, listen to the arguments, even though they may come down on the conservative side more than they do on the other.

<u>Donaldson</u>: What is your mail telling you, both of you? Are you getting any quantity of mail yet on the Bork nomination? If so, coming from conservative areas, what does it say?

Heflin: Basically, it's coming through about six or seven-to-one, pro-Bork. DeConcini: Same in my state.

Donaldson: Do you think the President ought to pardon Col. North and Adm. Poindexter?

Heflin: I don't think it'll be necessary. I think that all the public sentiment that's around North, that the independent counsel...will have difficulty convincing the members of a grand jury to indict him.

DeConcini: I don't think it'd be proper for a pardon. In my own judgment, they ought not be be (pardoned) before the trial, before the investigation.

Will: What good has come of all these hearings? There's a sort of itch to legislate. Do we need new laws out of this?

DeConcini: I don't know that we need new laws.

Heflin: I think in regards to the laws, that there will be a number of changes. I think that you'll have a change relative to the Intelligence committees of the Congress.... We will probably not statutorily say that the national security adviser ought to be confirmed. But I think there will be some tightening relative to the NSC in its relationship to the President, as well as a lot of others that we don't have time to go into.

Guest: Attorney General Meese.

Brinkley: Now that it's over, or about over, what have we learned from it? What has been proved? What's it all about? What are those crazies in Washington doing?

Meese: I must say that I think there is something that could come out of it that will be beneficial. I think that it will, I hope, provide the opportunity for much greater cooperation between the executive and congressional branches on the development of foreign policy. We've got to have much more discussion, much more consultation, and hopefully, much more cooperation...

Will: You public persona is as placid as a lagoon. And so is the President, old equitable Ronald Reagan. Isn't anyone angry?

Meese: I'm angry at the situation. I think what you had was a Greek tragedy in the making. You know it's going to end badly, and yet you seem hopeless in order to affect the outcome...

Donaldson: I may not have the quote correct, but I think over the weekend on another broadcast you were quoted as saying you don't think that either one of these gentlemen has broken any laws and ought to be prosecuted.

Meese: No, I didn't say that at all. What I did say was that I thought for them to come into the toils of the law, is a tragedy.

Donaldson: But you weren't suggesting that the (investigative) process shouldn't operate?

Meese: Not at all. Not at all. I was the one, if you'll remember, that initiated the criminal investigation. I was the one who said we have to have an independent counsel. And I continue to say that that process has to go through its deliberations and come out with a result.

Donaldson: Do you think any laws may have been broken here?

Meese: Yes. If I didn't think that laws could have been broken, possibly, then I wouldn't have launched the criminal investigation and sought an independent counsel.

<u>Donaldson</u>: Then why do you think the President of the U.S. said yesterday that he hadn't heard anything in this hearing that suggested any laws had been broken?

Meese: I think what the President was talking about was the Administration as a whole was not seeking to break the laws, and I think he was probably referring to the Boland amendment, things such as that.

Donaldson: ...You're under investigation by another independent counsel in the matter of Wedtech. And the question arises, if you're indicted, will you resign as Attorney General?

Meese: I'm not going to be indicted. I have no connection with Wedtech. And I've done nothing wrong...

Will: ... Isn't it perhaps wrong for someone as close to a President as you, Mitchell, Bobby Kennedy have been, to be attorneys general?

Meese: I don't think so. Obviously, the President has confidence in you, and he should in his legal adviser. That's the basis of my long association with President Reagan. He has confidence in my views, and I hope for good reason.

FREE-FOR-ALL DISCUSSION (Mary Ann Dolan, syndicated columnist, joins the panel.)

Brinkley: What should a person of good will and moderate intelligence make of (the Iran-contra hearings)?

Will: This is the gang that couldn't shoot straight. This is another setback for the cause...of restoring the good name about the competence and good will of the American government. And this is another case where people out in the country must be saying, "Forget the details. The fact is, people are not behaving well toward one another and we're behaving foolishly toward the external world."

Donaldson: The President wrought a policy that was non-sensical, to ransom hostages by dealing with so-called moderates in Iran. Ronald Reagan is not some befuddled man on a shelf up here, who is twisted and pulled by his advisers. When he cares about something, he makes certain the policy he wants to do is pursued. If there's anything you talk about learning from history, that Administrations ought to be able to in this town at last, it is to understand that when a story is exposed, it's embarrassing --maybe even when it may be illegal -- you have to put the facts out. And they tried to cover it up. We have the testimony. And "they" means Ronald Reagan.

<u>Dolan</u>: There is a profound interest in the civics lesson that took place in that (hearings) room. And also in the view that we were presented with of exactly how these human beings deported themselves with each other.

Brinkley: The thing that also interests a lot of us is the fact that some of these people -- Poindexter, North -- appeared not to have read the Constitution of the U.S., or have a decent respect for the system of government we have.

Brinkley: Over the years, more in sorrow than anger, I have chronicled more than a few outrages by those on our various public payrolls. And they have ranged from the ridiculous to the hilarious to the stupid. This one is all three. And it happened to me. I received from the District of Columbia tax collector a brisk and officious notice that I have back taxes from the year 1985, which I did not. The amount, they said: 10 cents. One dime. It cost them 22 cents to send me the notice. It gets worse. The notice said that unless the 10 cents was paid immediately by a certified check, the fines and penalties would be \$2,137.32. I have paid the 10 cents, because it's too much trouble to argue with them; the certified check cost \$2.50; with the postage, return receipt and so on, the 10 cents I did not owe has cost me \$4. A \$2,000 fine for a claimed back tax of 10 cents? That's the law, they said. And that concludes today's lesson in democracy in action.

CBS -- FACE THE NATION

Moderator: Lesley Stahl. Guest: Rep. Lee Hamilton.

Stahl: We have had three months of public testimony, scores of witnesses, and yet there seems to be a nagging feeling that maybe we still don't know the whole story. What have we learned and what haven't we learned yet?

Hamilton: I don't think we will ever be able to resolve all of the contradictions that appear in the testimony, but I do think several themes emerge. One is a lot of confusion in the decision-making process. Witness after witness testified that they could not get their act together, there was a lot of confusion. Another theme is the lack of accountability, and the lines of authority were not always clear. I think a number of the President's decisions were not crisp and clear. And, of course, another theme I think is the so-called privatization; we were relying to too great a degree upon private citizens, foreigners and foreign countries.

Stahl: The other day President Reagan said he's heard no evidence of lawbreaking, the question of venality. Do you agree with him that it's really a question of chaos and not of lawbreaking?

Hamilton: I've tried very hard to stay away from judgments about breaking laws or not breaking laws. I really don't think that's our role.

Stahl: We almost have two conflicting pictures of the man in charge, a man who drove this policy, and on the other hand, a very conflicting image of a person whose staff ran him and ran away with the policy. Which impression do you have?

Hamilton: I think we have to keep in mind that the witnesses who have appeared before these committees are witnesses who, for the most part, work for the Administration; they are loyal to the President, they want to protect the President; they admire the President; and their testimony has been very much in that direction. I am not suggesting that it's in false testimony, but it certainly has been very protective of the President. What does strike me is that someone has to take responsibility for the fact that the lines of authority were not clear, that decisions were not made in a crisp way. Part of that responsibility rests with the President's staff, but I think the President himself is the person that must take responsibility, too.

Stahl: One thing that has come out is that the intelligence reports that were given to the President by the CIA were often manipulated or fudged to fit the policy. When you get political people in some of these positions as Attorney General or CIA director, are we prone to end up with policies that might be different if you had a more professional person in those positions?

Hamilton: I very much agree with the view that we have to keep a rather strict separation of policy and intelligence.

Stahl: Can you mandate that a professional be the head of the CIA? What can you do? -more-

Hamilton: We can do a lot of things. The question is what's wise to do. We ought not go try to put into statute a lot of very strict requirements; nonetheless, we ought to be very firm in our recommendations, and we must remember, when it might be proposed in the future that the CIA director sit as a member of the Cabinet, some of the lessons of the Iran-contra affair. I am less inclined to think that we should make a lot of recommendations about structure and changes in the law, keeping in mind that presidents have the right to organize the executive branch in large measure as they would like. It's more of a people problem than a structural problem.

Guests: Kenneth Adelman; Ambassador Viktor Karpov.

Stahl: I'd like to ask you how rigid your government is about insisting that (the Pershing 1-A missiles) be removed. What's wrong with just letting them be phased out in about five years?

Karpov: If you speak about warheads, we don't know of which vintage they are; maybe they are brand-new, produced this year. So we should have an equitable agreement, which means that all American warheads for medium-range missiles and operational tactical or short-range INF missiles should be eliminated, along with the Soviet missiles and Soviet warheads of the same classes.

Stahl: Is there any thought that maybe our government would lean on West Germany to allow us to remove our warheads from those missiles so that an INF agreement can be signed?

Adelman: No, no thought at all. I think the Soviets are just engaged in their latest bluff. I think this whole negotiation has been a series of the Soviets bluffing on one issue after another, and we have held firm. And that's why we are in such good shape today. I predict to you that before Gorbachev signs on the dotted line, there are going to be two or three more issues.

Stahl: Let me ask Ambassador Karpov, how optimistic are you that we can get an agreement? Are the Soviets willing to let this fall away over these 72 Pershing missiles in Germany?

Karpov: We feel that this issue is now the stumbling block of the negotiations; it should be removed.

Adelman: Let me just ask my counterpart -- we discussed this issue over the years, and the Soviet side never mentioned the issue of the German Pershings, and, Ambassador Karpov, you had a press conference in mid-May and you listed three obstacles to an INF agreement. Two out of those three obstacles have now been cleared up because of moves we made. The other obstacle is one that the negotiators are discussing in Geneva right now. But the point is that none of the three obstacles you mentioned included the German Pershing Ones.

Karpov: I cannot accept that explanation.

Adelman: Why didn't you mention it in mid-May?

Karpov: We didn't mention Pershing II missiles or their warheads because we didn't hear from you that this might be an obstacle. There was a suggestion introduced after the Reykjavik meeting of the NATO council to eliminate the whole class of SR INF missiles and their warheads, so in this case there should be no exception for American warheads of this class, of any kind. So when we heard about the American exception, that's why we started to discuss it.

Stahl: Are we, Mr. Adelman, unwilling to allow the Soviets to come into our launching sites, as they say?

Adelman: Not at all. The big difference here is the fundamental difference between our societies. Anytime that any Administration would violate an arms control agreement, it would be a lead item in the evening news, it would be the front page of the paper. Now the Soviet Union is a very closed society, even cities are classified in the Soviet Union.

Stahl: Ambassador Karpov, are you willing to allow American inspectors to fly in on their own airplanes, which apparently the Americans are concerned about, to inspect your facilities without you throwing up obstacles --

Karpov: First of all, we suggest that inspectors be present through the whole process of elimination of launchers, missiles, and warheads. So the presence of inspectors should guarantee that there is no cheating. Then we suggest that inspectors be present at the production facilities where production of the missiles should be stopped. Here we have some differences with the U.S. They won't allow us into the factories, although we would feel that that would guarantee the inspection.

Adelman: The U.S. is open for any inspections that the Soviets will have. The devil lies in the detail in arms control, and Ambassador Karpov's words are very good. If we can get that nailed down in the negotiations, then we are on our way.

Stahl: In your opinion, is (the Iran-contra hearings) affecting U.S.-Soviet relations and the arms control negotiations in any way?

Karpov: We feel that what is important now is whether the American Administration is ready and willing to have a deal on missiles with the Soviet Union. We are ready for such a deal.

Stahl: Ambassador Adelman, what happened to the whole Soviet cheating? There's a memo that says that the U.S. should just put that aside so we can get an INF agreement. Has it been put aside?

Adelman: Not at all. And I think that's one of the real hallmarks of this Administration: we have been honest in saying that when the Soviets move ahead in arms control, we are going to move ahead with them; we have been honest in saying they should cut out their cheating.

NBC -- MEET THE PRESS

Moderator: Chris Wallace. Panel: Elizabeth Drew, The New Yorker; R.W.

Apple, The New York Times.

Guest: Soviet Ambassador Alexei Obukhov.

Wallace: For all the posturing on both sides, isn't the medium-range missile deal and a Reagan-Gorbachev summit all but assured at this point?

Obukhov: It all depends on the cooperation of the American side.... So, in case the American side cooperates and responds in a positive way to our far-reaching proposals, then an agreement is close at hand.

Wallace: How big an obstacle, though, are those 72 Pershing missiles in West Germany? Could they really be a deal-breaker at this point?

Obukhov: ... The fact that the U.S. side unexpectedly refused to come to an agreement with us on the question of the elimination of American warheads on the Pershing 1-A missiles... is an obstacle of the negotiations. And this is a serious one. Why we say so? The Soviet side is striving to have a true zero solution on a global scale on medium and short-range missiles. But now we see that the American side, while speaking about the zero global solution on short-range missiles, in fact does not follow what it proclaims. Because if these 72 American warheads are retained on the missiles of this class...then the solution is not zero, not global.

Wallace: Mr. Ambassador...one of the possible compromises U.S. officials are suggesting is that those missiles are very old, they'll be obsolete by the early 1990s, why not just let them phase out and go into retirement while all the other missiles are being phased out. Is that a possible compromise?

Obukhov: We will listen to what Ambassador Kampelman is going to propose. We'll study it and we'll give our answer. Our position as of now and our principle approach is that all the warheads -- all American and Soviet warheads -- on medium and short-range missiles must be scrapped in order to have a real global solution. And this is a serious approach of our; it is not a handicap...

<u>Drew</u>: As I hear you, you said, "As of now, let Mr. Kampelman make a proposal." Are you saying that if something is offered that implicitly or explicitly says that these weapons would be phased out, in fact you can have the compromise and an agreement?

Obukhov: We are dealing now with a hypothetical situation. What we have now on the negotiating table -- this is our proposal about the global solution. And we want to have a positive answer from the American side and we expect a positive reaction from the American side.

<u>Drew</u>: You are proposing, or demanding, that Soviet inspectors be allowed in American production factories and vice versa...for these weapons. The U.S. says they will only allow you into the periphery. This seems like a bit of a reversal, that you're a very closed society to let people into the factories. But are you saying if we don't let your people in ours, there is no deal?

Obukhov: We are discussing now all the questions pertaining to verification. And you're quite correct about our demand that verification system be very strict to ensure confidence on both sides, that they comply with the agreements. And when we speak about the facilities being inspected, they should be included, if necessary, into this verification system.

Apple: Do you consider verification as important a problem -- as important an obstacle, to use your word -- as the Pershings?

Obukhov: I must say that it is difficult to compare things in this way when you have negotiations. But as I see it now, the Pershing 1-A issue -- the U.S. side is going to make it the main obstacle of the negotiations, as far as medium and short-range missiles are concerned.

Apple: Do you find any ground at all for compromise on the question of Star Wars?

Obukhov: In fact, our proposal, which we introduced on the 29th of last month -- that is our draft agreement on space -- is a compromise proposal.... And this line can be drawn by listing the space-based devices, which may not be launched into space.

Apple: But you insist on linkage between Star Wars and the Strategic Arms Treaty?

Obukhov: That is correct, because this linkage is inherent, impossible to circumvent.

Guest: Ambassador Max Kampelman.

Wallace: Would that be a possible compromise to allow those German missiles simply to be retired when they get too old and agree not to modernize them?

Kampelman: ...We're negotiating the Pershings. It's certainly not something I want to negotiate on television. But I do want to make one point clear. By no stretch of the imagination is the U.S. going to accept any provision which would do damage to our alliance and which would harm our relationship with any ally, just for the sake of entering into an agreement with an adversary.... I don't want to even state what is possible and what is not (regarding a Pershing missile compromise), other than that it is obviously an option that we've already been discussing with the Soviets.

Apple: No matter which way you deal with this question, it's going to affect one of our allies -- to wit, the German Republic. And Mr. Kohl is saying privately, these days, that he would like the U.S. to take the lead on this because it would get him off the hook. What do you say say to that?

Kampelman: I don't know what Mr. Kohl is saying privately to you. He is not saying that privately to me, or to the U.S. government.

Apple: He's saying to you that he would like to make this decision and he wants no American role in it?

<u>Kampelman</u>: I didn't say that either. I'm reporting to you that the U.S. will not agree to a provision which adversely affects an ally in a bilateral relationship. It would be irresponsible for us to do that.

<u>Drew</u>: Why is the U.S. not prepared -- in the context of SDI -- to talk about terminologies such as what is a lab and what is testing, since those seem to be the stumbling parts?

Kampelman: They may be the stumbling parts now raised by the Soviets, but I want to point out something. There is no ambiguity, in our opinion, with respect to the agreement we entered into in 1972 on the ABM treaty. Our position is make the ABM treaty effective by carrying out its premise and its promise. Then we'll sit down and talk with you about other issues.

Wallace: Why do you and the Soviets talk so much now? What ever happened to negotiating in private?

Kampelman: Ever since Moscow learned about Madison Avenue, I think we've got all kinds of these public releases -- which in the first year-and-a-half of these negotiations we were very careful about. I would like to get back to the private negotiating format. I think the American people and the people of the world have a right to be informed of the status of those negotiations.

THE McLAUGHLIN GROUP

Moderator: John McLaughlin. Panel: Eleanor Clift; David Gergen; Morton Kondracke; Robert Novak.

U.S. Escorts in the Persian Gulf:

McLaughlin: Is it time to re-think our U.S. policy?

Gergen: No. Now that we've made the commitment, it's more essential than ever that we stick to it. Whatever credibility we have left in that part of the world would be shredded if we changed U.S. policy yet once again.

Novak: This is a successful operation. It looks now as though the Iraqis have given an indefinite commitment not to attack shipping; the Iranians are talking to the West Germans -- I think you're going to have some very quiet weeks in the gulf and who knows? It may stretch out to a real cease-fire.

Clift: It's a test of American resolve and we can't afford to back down now. But I think the execution of the policy is absolutely embarrassing.

Kondracke: Not a single American ship has been hit by the patrol boats. There hasn't been one life lost -- other than in an ordinary Bahrain operation. There is a reasonably close possibility to a cease-fire in effect and this policy is working.

 $\underline{\text{Novak}}$: A lot of people who are very expert in this area think it is $\underline{\text{important}}$, the German-Iranian connection. A German takes over this coming week as chairman of the U.N. Security Council. I think there is a real chance of a diplomatic success.

McLaughlin: Can you explain why the Kuwaitis are denying the U.S. landing rights, and furthermore can you tell me why this Administration did not secure -- before we agreed to go in -- those landing rights and the permission to enter the territorial waters of Kuwait?

Novak: There's been a lot of internal Arab politics on this question. It's very delicate. There's a lot of arrangements behind the scenes being made to make sure we can function there.

McLaughlin: Is it now impossible, because of our position, are we cemented in over there (in our policy) and would it be possible for us to run?

Gergen: In the foreseeable future. But we may be able to work out some \overline{kind} of arrangement over time.

Novak: It is neither desirable nor possible.

Clift: I think we're stuck. We're in there and we can't fail this moral test -- we've failed too many tests in the Middle East already.

Economic Bill of Rights:

McLaughlin: Some think that Mr. Reagan is using this issue to pump life into his presidency. Is Reagan's strategy, or is Ronald Reagan marching in one direction, and the parade of events marching in another?

Clift: I think the President needs to change the subject, and I think the country's ready for him to do that.

Novak: The Economic Bill of Rights is not only boring, it's the wrong subject.

Clift: Arms control is his subject.

Arms Control:

McLaughlin: The hangup continues to be the 72 missiles that West Germany owns. What's going to happen?

Gergen: I think we'll be under increasing pressure from the left to give in on the Germans and it's extremely important that we not pay that price.

Kondracke: The President has a number of things that he actually could be going around the country selling as successes. One of them is the progress in arms control...

McLaughlin: Do you see Shultz in any way enfeebled by his appearance before the Iran-contra committee?

Novak: No. All the Reagan-haters kissed him on both cheeks. I don't think so at all. I have given up beyond hope that the President would say, "George, your time has come." So I don't think he's enfeebled at all.

Chief of Staff:

McLaughlin: (Novak) said that after Col. North's testimony, the Reagan Administration should have gone head-on and forcefully into a confrontational stance on Irangate and argued strongly for contra aid. Howard Baker didn't do that. Instead he moved the President into the Economic Bill of Rights.... On a scale of 0 to 10, how would you evaluate his strategy for handling Ronald Reagan?

Gergen: Six. Novak: Three-and-a-half. Clift: Five. Kondracke: Five. McLaughlin: Five.

Meese, Regan and Weinberger Testimony:

McLaughlin: What's the big Iran story of the week?

Novak: The big Iran story of the week is it's over. Nobody cares.

Clift: Ed Meese came across as the last political innocent. He only thinks you've done something if you have a mask on and you carry six-guns.

Gergen: The critical point is it really is over.

AGRONSKY & COMPANY

Moderator: Martin Agronsky. Panel: Elizabeth Drew, James Kilpatrick, Carl Rowan, Strobe Talbott.

Iran-contra Hearings:

Agronsky: What mattered most last week in the Iran-Contra hearings?

<u>Drew</u>: I think it's the total picture you get. And what we had this week from Mr. Meese, Mr. Regan and the beginning of Mr. Weinberger's testimony was the devastating picture of a lack of trust within the President's top group and also a good degree of ineptitude.

Talbott: The whole thing seemed to matter a little less.

<u>Kilpatrick</u>: There was further confirmation of what was to me one of the great points: did the President know about the diversion of the money to the contras? We've now had every kind of confirmation that could be asked. He did not know about it.

Rowan: I think it was the fact that they got Attorney General Meese to concede that some laws probably were broken. But overall you had Meese, you had Weinberger, you had Regan all throwing this thing back to a couple of military men -- a little junta in the White House -- that some people think staged a coup.

McLaughlin: A coup that apparently Mr. Regan didn't know had taken place.... What did he say that you thought was most significant?

Drew: ... I think there's evidence that Regan may be protesting too much. That he was there for some of these things and he -- not Shultz -- and like Weinberger, did have an opportunity to fight harder and chose not to.

Talbott: Yes, but still the picture that Regan presented serves the President pretty well. I think this plays to the White House's basic defense.

Rowan: ...Regan said some things that also did not serve the President very well. He made it clear that Mr. Reagan knew right up front about the shipment of weapons to Iran, and that, indeed, he knew about the cover story of the oil drilling equipment in advance.

Drew: ...It all gets back to the President who hired these people and did or did not superintend their conduct, as a President is supposed to.

McLaughlin: I think the way the Attorney General functioned in this situation mattered a lot.

Kilpatrick: The way in which he conducted the inquiry doesn't have much to do with our examination of the whole falling apart of the process within the White House.

The Persian Gulf:

Agronsky: The minesweepers are sitting in Charleston, S.C. What in the world is happening out there with the U.S. Navy?

Kilpatrick: I was aghast that it didn't occur to them to look for mines.

<u>Drew:</u> For some reason, no one in the U.S. government seemed to anticipate this.

Rowan: One of the things that still bothers me is the extent at which the U.S. is out there alone.

Talbott: No Arab nation is going to be able, easily, to accept any kind of American basing rights on its territory.

Arms Talks:

Agronsky: Two very important policy concerns that are before the President: an arms treaty and a summit.

 $\overline{\text{Moscow}}$ in the Irangate hearings as there was here in Washington. And that's partly, I think, why the Soviets applied the brakes.

Rowan: ...It's going to scare a lot of people who are not conservatives, if they get reason to believe that an arms deal is part of Reagan's survival kit.

Kilpatrick: I'm not interested in an agreement. I want a verifiable agreement.

Drew: If they try to attach SDI, I think it might be dead in the water.

Abortion Funding:

Agronsky: President Reagan now says his Administration is going to move to deny federal funds to any organizations involved with abortion-related services. Can he get away with that?

Rowan: I think this is grandstanding.

Kilpatrick: I'm not going to take any strong stand for him. I want to get Roe v. Wade repealed and turn this whole thing back to the states.

-End of News Summary-