

Poindexter says he didn't reveal deal to Reagan

WASHINGTON (AP) — Former National Security Adviser John Poindexter testified Wednesday he never told President Reagan about using Iranian arms sales money for the Contras because "I wanted the president to be protected" from political embarrassment if the plan leaked out.

But, while supporting the president on that point, the former top White House aide contradicted Reagan on a second important issue in the congressional Iran-Contra hearings. He said the president initially approved selling weapons to Iran in late 1985 as a straight arms-for-hostages deal.

The president has said repeatedly that he never intended such a swap, which would have run counter to his stated policies, but that a general effort to forge ties with Iranian moderates deteriorated into arms-for-hostages dealing behind his back.

Reagan, who also has insisted that he did not know of the diversion to the Contras, said of Poindexter's testimony on that subject: "What's new about that? I've been saying it for seven months."

On the other matter, arms for hostages, Reagan spokesman Marlin Fitzwater said the president couldn't recall signing an approval document cited by Poindexter "but he doesn't disagree with those who say he did."

Poindexter testified he destroyed the paper because it might have caused "a significant political embarrassment."

Poindexter, testifying under immunity from prosecution based on his words, said Lt. Col. Oliver North proposed using the Iranian money for the Contras at a time that U.S. humanitarian aid for the Nicaraguan rebels was running out. North was relaying an idea proposed in early 1986 by Israeli official Amiram Nir, Poindexter said.

"I thought it was a neat idea, too," he said, echoing North's own description, "and I felt the president would have enjoyed knowing about it."

"But because it would be controversial . . . I wanted the president to have some deniability so he would be protected."

Poindexter said: "The buck stops here with me. I made the decision. I thought I had

the authority to do it. I thought it was a good idea . . . but I did not want him to be associated with the decision."

Poindexter was North's boss and one of those from whom the Marine officer said he sought and received authority for all his actions while on the National Security Council staff. His testimony supported North's version of events in most areas.

Poindexter testified in a slow, calm voice that he told neither the president, nor anyone else, about the diversion plan until last November when Attorney General Edwin Meese III began an inquiry.

"Did you ever discuss this with the director of Central Intelligence, the diversion?" Poindexter was asked.

"I did not," he replied.

North had testified that the late William Casey, director of the CIA, was in on the diversion plan from the beginning and not only embraced it enthusiastically but also wanted to create a permanent fund to carry out "off-the-shelf" covert operations.

Poindexter also said he didn't tell the president about which other countries were contributing funds for the Contras and that Reagan never asked.

"The president, as I've said, is not a man for great detail," said Poindexter, who met with Reagan almost daily. "I don't mean that in any sort of funny way—I don't think a president ought to get involved in details . . . he's got enough to worry about."

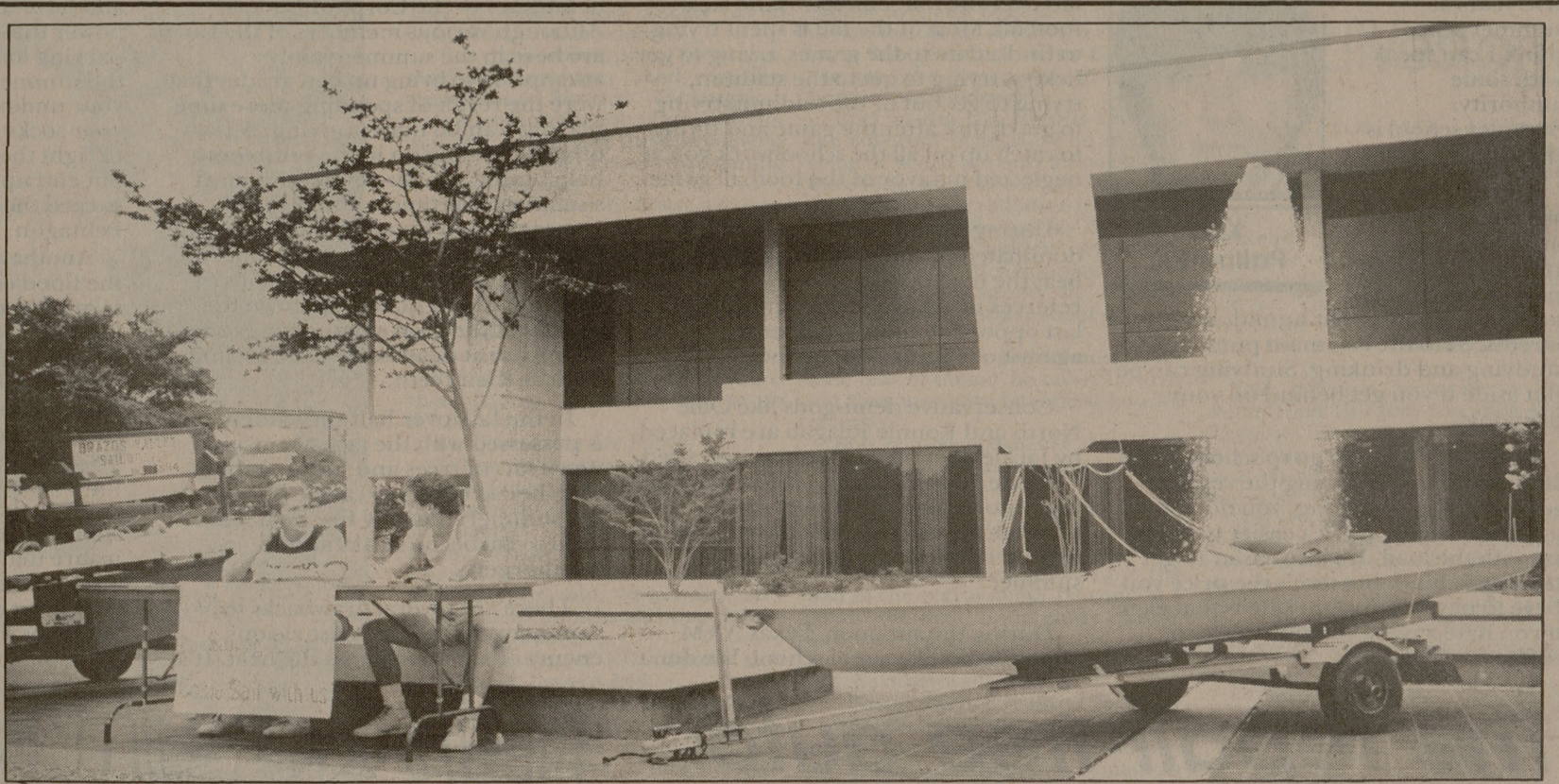
He said Reagan knew generally what North was doing, but not in great detail.

Poindexter said that until the Meese inquiry he had not seen any of the memos North said he had sent him — with a request they be shown to the president — on the subject of the diversion of funds.

North testified he thought he had shredded all such memos but that the one Meese's investigators turned up apparently escaped destruction.

Except for that one, which he didn't see until last November, months after it supposedly was sent, Poindexter said, "I do not recall any memo that addressed the question of diversion."

North didn't have to put such a suggestion in a memorandum anyway, Poindexter said.



Start Bailing!

Texas A&M Sailing Club members Clay Frisby, left, and Lee Corscaden are trying to recruit some new members but they seem to have

missed the gusher springing from their boat. The gusher is really Rudder Fountain, located behind the boat.

Photo by Robert W. Rizzo

Leaders announce agreement on state budget of \$38.3 billion

AUSTIN (AP) — The state's top three leaders Wednesday announced agreement on a 1988-89 state budget that would spend \$38.3 billion.

Gov. Bill Clements announced the pact following a 90-minute private meeting with Lt. Gov. Bill Hobby and House Speaker Gib Lewis.

"None of us are happy, but we are in agreement," Clements said.

If the deal holds together, it would break a deadlock that has continued since the Legislature failed during its 140-day regular session to write a budget.

"We have all signed off, so to speak, on the numbers," the governor announced with Hobby and Lewis flanking him.

"So the appropriations side, hopefully is done, if we can get it out of conference (committee)," Clements said.

The agreement apparently cleared the way for that conference committee, which went back to work Wednesday night to send a final budget bill back to the House and Senate.

Clements said he, Hobby and Lewis did not talk about the tax increases that will be needed to

balance the budget. He said the revenues would "match" the spending, but did not say how.

Lewis, D-Fort Worth, said of taxes, "That might give us more problems that the appropriations bill."

The House's \$5.2 billion tax bill would increase the state sales tax from the current 5 1/4 percent to 6 percent, and expands it to cover insurance premiums. The House also voted to keep the motor fuels tax at 15 cents per gallon instead of letting it revert to 10 cents on Sept. 1.

The Senate, which has not yet acted on the fuels tax, Tuesday approved \$5.2 billion in tax and fee increases.

"I'm not too excited about the Senate tax bill," Lewis said, pointing to new levies he believes could scare businesses away from Texas.

Clements said the overall budget — totaling \$38.3 billion — would be an increase of about 4 percent over 1987 spending.

"The budget is, in fact, up, but it's not up as much as some people would like," Clements said.

The leaders say the plan calls for about a \$500 million increase of spending over current levels in higher education, one area that had been a

sticking point with Hobby.

"It does the best that can be done under the present circumstances," he said.

The final agreement reached by the leaders pleased almost no one.

Lead Senate budget negotiator Grant Jones, D-Temple, said, "Obviously, I don't think anyone's completely happy with it. You do the best you can."

His House counterpart, Rep. Jim Rudd, D-Brownfield, also voiced some displeasure over the burden shifted to local school districts.

"The local taxpayers are going to be picking up more of the tab," Rudd said.

The proposed budget could spark local property tax increases because it would force school districts to cover 34.7 percent of their costs, as opposed to the current 33.3 percent.

Money to fund additional merit pay raises for outstanding school teachers would be delayed under the plan.

The three leaders said timing — the current special session ends Tuesday — was a key factor that produced the agreement.

"It got to be July 15," Hobby said.

Democrats fail to end filibuster

WASHINGTON (AP) — Senate Democrats critical of President Reagan's Persian Gulf security policy said Wednesday they were giving up efforts to have the chamber go on record opposing the plan.

The decision came after the Democratic-controlled chamber failed, for the third time in a week, to end a Republican filibuster that had blocked consideration of measures critical of Reagan's plan.

"We've had our shots," Majority Leader Robert Byrd, D-W.Va., told his colleagues after the vote. "We've sent our message that a majority of this chamber is opposed to this policy . . . I think we're at the point where we ought to get back on track" with other legislation.

Byrd spoke after the Senate voted 54-44, six votes short of the 60 needed, to invoke cloture, the parliamentary device needed to end a filibuster.

The non-binding resolution would have requested a 90-day delay in Reagan's plans to put U.S. flags and captains aboard 11 Kuwaiti tankers and have Navy warships escort the tankers through the war-torn gulf.

Sen. Dale Bumpers, D-Ark., chief author of the 90-day proposal, said, "I'm as convinced as I am of my name that this is a wrong-headed policy."

Bumpers and other critics fear that Reagan's plans will draw the United States into the Iran-Iraq war because Kuwait has aided Iraq.

With a 54-46 majority, Democrats needed to hold all their votes and pick up six Republican senators to break the filibuster, a job Bumpers admitted was futile.

Clements threatens to call third special session

AUSTIN (AP) — If lawmakers fail in the next week to increase gubernatorial power over state spending, Gov. Bill Clements said Wednesday he will call another special session.

Clements also again expanded the agenda for the current special session, which ends Tuesday, including legislation that would continue an appointed State Board of Education.

The 13 new items listed Wednesday bring the total number of subjects Clements has added to 32 in the past two days, but the governor said

he was confident lawmakers could act on taxes, the state budget and other subjects before the deadline.

"I think they can act with the utmost speed when they have the momentum and want to do it," Clements said. "You'd be surprised how quick they can act when they have it on their minds to do it."

He said the Legislature must approve so-called "budget execution authority," a procedure that would allow the governor — or a panel of officials including the governor — to modify state spending during a fiscal

crisis between legislative sessions.

"I will say to you with no equivocation whatsoever, if budget execution is not passed, we will be back in another special session — soon," said Clements, who has called two special sessions since the Legislature's regular session ended June 1. "We'll have a next called session. We will."

Voters in 1985 approved a constitutional amendment to give such spending power to a governor. But the Legislature has refused since then to pass a law allowing it.

Reggie Bashur, the governor's

press secretary, said Clements didn't favor a specific plan but wants some form of budget execution authority before lawmakers adjourn.

The House has approved a complicated plan, and that bill is pending in the Senate.

When the Legislature in 1984 passed House Bill 72, the state's sweeping school reform law, it abolished the old, elected State Board of Education and replaced it with a 15-member panel appointed by the governor.

But the law also called for that

board to be replaced after four years with a new, elected body.

Clements promised last year to make certain the elected board was returned, but Wednesday he said he added the issue to the special session because many lawmakers want to keep the elected body.

"I understand there's a lot of sentiment in the speaker's office as well as the lieutenant governor's office and also . . . on the floor, both the House and the Senate, that they want to discuss that," Clements said. "So I'm going to give them the opportunity to."

Incidents seem to be unrelated, officials say

FAA to review rash of Delta Air Lines miscues

WASHINGTON (AP) — The Federal Aviation Administration announced a broad-ranging investigation Wednesday into training practices at Delta Air Lines, after a rash of seemingly unrelated pilot errors, including two nearly tragic incidents.

The FAA said a special team of investigators was being assembled for the surveillance, which was expected to last between three and six weeks.

Robert Whittington, the agency's acting administrator, said that while the recent incidents at Delta suggested "no obvious pattern or link," they are "of great concern to us" because each involved pilot errors.

Delta officials said they were prepared to cooperate with the FAA investigators.

Delta officials were perplexed by the recent incidents, particularly since the airline only a few months ago completed a system-wide inspection of "every avenue of airline operations," said Delta spokesman Jim Ewing.

"There's no connecting thread," Ewing said of the five serious pilot miscues over a span of several weeks.

Partly because no trend has been established, the FAA has decided to focus on across-the-board examination of Delta's training operation, officials said.

The agency said in a statement the investigation initially will focus on pilot training and procedures involving aircraft navigation and flight crew coordination. But the agency left open the possibility that the probe might be expanded.

Whittington said the agency began the special surveillance of Delta, the nation's fourth largest airline, because of five incidents in recent weeks involving flight crew errors, including one that caused the near-collision of two jetliners over the North Atlantic.

He said that a report on the surveillance would be made within 90 days, but that the agency would take actions in the meantime if training deficiencies are uncovered.

John Mazor, a spokesman for the Air Line Pilots Association, said in an interview that Delta's problems appears to be an "incredible streak of bad luck" that cannot be traced to the pilots or the airline.

Three Delta pilots already have been or-

dered suspended as a result of two of the incidents.

Internal investigations are still under way involving three other incidents and no disciplinary action has been taken against those pilots, airline officials said.

Delta's spate of problems began June 18 in Nashville, Tenn., when a Delta pilot misunderstood a controller's instructions and began taking off from one end of a runway as a Southwest Airlines jet already was taking off from the other end.

The Southwest Boeing 737 couldn't abort its takeoff and flew directly over the Delta Boeing 727.

The latest incident occurred last Sunday when a Delta pilot landed on the wrong runway at Boston's Logan Airport as another jetliner was about to taxi onto it.

Three other incidents also have gained widespread attention:

• On June 30, a pilot mistakenly cut off fuel to both engines of a Delta Boeing 767, thinking he was turning off an automated flight control system, shortly after takeoff from Los Angeles International Airport. The plane glided from 1,500 feet to within 600 feet of the Pacific Ocean and passenger were

warned to prepare for a crash before the crew restarted the engines.

• On July 7, a Delta flight crew became disoriented after air traffic controllers guided it around a storm and unknowingly landed at Frankfurt, Ky., instead of its intended destination, Lexington, Ky., 19 miles away.

• On July 8, a Delta Lockheed L-1011 strayed 60 miles off course on a flight from London to Cincinnati and flew within 100 feet of a Continental Airlines Boeing 747 at 31,000 feet over the North Atlantic. Investigators believe the crew likely punched the wrong coordinates into a computer used for navigation.

These pilot miscues have directed attention toward other incidents that may not necessarily have involved fault or improper actions by flight crews, but raised safety concerns.

Delta became the country's fourth-largest airline company last April when it concluded its merger with Western Airlines. The merger expanded Delta's operations to 153 cities, increased its aircraft from 259 to 360 and its workforce from 38,000 to 48,000.

This year the airline is expected to carry more than 50 million passengers.