

The Washington Post

FINAL

Detailed index on Page A2

Weather
Today: Sunny, cold. High 25. Low 15-20. Winds NW 10-15 mph.
Thursday: Sunny, milder. High around 50. Winds SW 10-15 mph.
Yesterday: AQI 25. Temp. range 20-25. Details on Page C2.

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WEDNESDAY, JANUARY 15, 1986

Prices May Vary in Areas Outside Metropolitan Washington (See Box on A1) 25c

Antitrust Overhaul Planned

President Will Ask Congress to Ease Rules for Mergers

By Nell Henderson
Washington Post Staff Writer

President Reagan has decided to ask Congress to overhaul the nation's antitrust laws to ease restrictions on mergers, and will argue that American businesses need greater flexibility to respond to global competition, administration sources said yesterday.

According to a memorandum by Treasury Secretary James A. Baker III, chairman of the president's Economic Policy Council, the president has approved a five-point legislative program recommended by his chief economic advisers to change the antitrust laws, which govern major areas of corporate activity.

The package, to be unveiled as part of the president's 1986 legislative agenda, will include a proposal to exempt import-battered industries from antitrust restrictions on mergers.

For other industries, another proposal would limit the grounds on which courts can block mergers.

Other proposed changes would severely restrict the use of treble-damage awards for violations of antitrust laws, would allow greater freedom to corporate directors to sit on the boards of competing companies and would sharply limit the ability of American firms to file antitrust suits against foreign corporations.

Sketchy information about the proposals emerged last month after the president's economic policy advisers presented him with their recommendations.

Details of the proposals approved by the president were made available for the first time yesterday by administration sources.

Federal antitrust laws, originally passed around the turn of the century, prohibit corporations from engaging in acts that may lessen

See ANTITRUST, A12, Col. 1



People sing "We Shall Overcome" at a ceremony yesterday sponsored by the National Park Service at the Lincoln Memorial as part of the first federal King holiday. Today is the anniversary of the Rev. Martin Luther King Jr.'s birth.

King Studies Vary With The Classroom

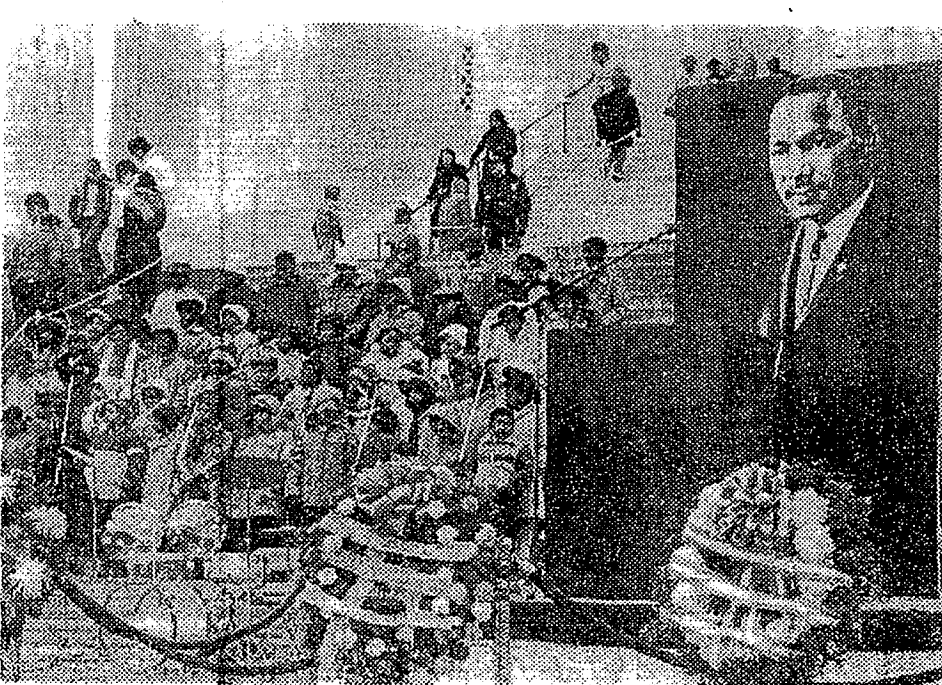
By D'Vera Cohn
and Edward D. Sargent
Washington Post Staff Writers

Mary Ellen Eisenhower asked her first grade suburban Maryland students, "Would it be fair if I gave Isaac four pieces of candy and gave everyone else two?"

"Nooooo!" came the loud reply. The lesson for the mainly white middle-class students at Lucy Barnsley Elementary School in Rockville was that when civil rights leader Rev. Martin Luther King Jr. worked for fairness for blacks he helped all people.

Twenty-five miles away, at Martin Luther King Jr. Elementary School in Southeast Washington,

Education secretary talks to Atlanta class about King. Page A8



Pupils from D.C.'s Burroughs Elementary sing "Precious Lord" at observance.

the slain minister is a larger-than-life hero to the students, almost all of whom are black. Many grew up with his picture in their homes.

"Learning about King is different

than learning about other subjects," said sixth grader Darrel Thompson, 11. "Math and science don't make you feel anything. When you hear his speeches and think about all the unfair laws that whites created to

See KING, A8, Col. 1

U.S. Proposes Reduction In '86 Payment to D.C.; Plan Draws City's Fire

By Arthur S. Brisbane
Washington Post Staff Writer

Reagan administration and congressional budget officials have proposed cutting the current year's federal payment to the District by \$23.5 million, drawing an angry reaction from D.C. officials who say they have spent most of the payment.

The proposed reduction, guided by the Gramm-Rudman-Hollings budget deficit law, could cut deeply into funding for criminal justice, mental health and retirement programs in the city, according to Alphonse G. Hill, D.C. deputy mayor for finance. In addition, the funding cuts for the fiscal year that began Oct. 1 could wipe out a large part of the federal government's debt to

the city for water and sewer services.

The reductions, representing 4.3 percent of the overall \$547 million payment to the District, are contained in a compilation of fiscal 1986 federal spending cuts prepared by the Office of Management and Budget and the Congressional Budget Office. The proposed cutbacks would take effect March 1—almost midway through the fiscal year—unless the president and Congress agree on an alternative plan.

Administration officials have said Reagan has ruled out proposing an alternative budget plan.

"We don't think they can do this," said Hill. "I think we are going to protest this because we have already drawn down \$504 million of

See DISTRICT, A12, Col. 5

Israel may suffer less than others as U.S. cuts budget. Page A14

D.C. City Council Approves Entry of Big U.S. Banks

Local Institutions Could Be Acquired

By Marcia Slacum Greene
Washington Post Staff Writer

The D.C. City Council unanimously approved a measure yesterday that would open the city to the nation's largest banks by allowing those outside the region, including New York's Citicorp, to provide full services in Washington by acquiring existing District banks.

A provision that would have allowed banks outside the region to open new banks here after three years was dropped during a 3½-hour council debate on the issue. The measure passed on first reading by a voice vote and will come before the council for a final vote in two weeks.

Yesterday's measure would amend the hotly debated regional interstate banking law passed by

the council in September. The earlier law limited interstate banking activities to banks in the District and 11 southeastern states despite an intense Citicorp lobbying effort to win a District banking license in exchange for major financial commitments to the city.

The passage of the first interstate banking bill paved the way for the merger between United Virginia Bankshares Inc. and NS&T Bankshares Inc. of the District, which has been completed. The City Council also has recommended that the Federal Reserve Board approve a merger of D.C. National Bancorp Inc. and Sovran Financial Corp.

Yesterday, Lucius P. Gregg, a Citicorp vice president, said his company had begun an analysis of Dis-

See COUNCIL, A14, Col. 1



Afghan farmer holds "butterfly" mine dropped on his village last year.

Depopulation Campaign Brutally Changes Villages

Fourth of five articles

By James Rupert
Special to The Washington Post

BARAKAT, Afghanistan—Surrounded by rocky, snow-covered hills, this village is a man-made oasis.

Like all villages here in the harsh, dry lands of Ghazni Province, Barakat was founded around a reliable water source, and generations of villagers have slowly carved its sun-hardened hillsides into green fields and orchards. A villager insists that no one wants to leave Barakat. In Persian its very name means "Blessing."

But of about 1,500 residents before the war, villagers say between 150 and 200 have been killed. And with the fighting here getting worse, about a quarter of the families have fled to Pakistan, Kabul or to the villages of relatives.

During a month-long tour through southeastern Afghanistan, I found that the story varied in each village, but the general pattern was clear. Direct attacks on villages by the Soviet Army and Air Force, often assisted by Afghan government troops, are expelling farmers and shepherds who support the

AFGHANISTAN THE NEW BATTLEFIELDS

mujaheddin—the Afghan resistance fighters.

"The Soviets know the mujaheddin need the villages," one Afghan told me. "They want to kill the fish by emptying the water."

This remains a hidden war. With journalists legally barred from entering Afghanistan, it is

See AFGHANISTAN, A26, Col. 1

Conservative Fund-Raisers Face Red Ink

By Thomas B. Edsall
Washington Post Staff Writer

A new reluctance by the public to donate to conservative causes has forced a number of conservative direct-mail firms to fire staff, cut salaries, reorganize, or all three.

Specialists in the field say they believe that conservative donors have been closing their checkbooks for a host of reasons: President Reagan's landslide reelection in 1984 quieted anxieties that in the past prompted contributors to reach for their wallets; conservative mailing lists have been oversold and saturated; the Ethiopian famine, the Mexico City earthquake and other natural disasters tapped out the marketplace of givers; Reagan's campaign theme—"It's morning again in America"—undercut direct-mail efforts to capitalize on fear and anger, the two key ingredients in successful solicitations.

In an attempt to counter the drop-off in donations, many conservative clients dependent on direct mail for their funds—political action committees, lobbies and foundations—are switching primary targets from small donors to major donors, both corporate and individual, who are often lured into giving by the availability of a tax deduction.

Among those hardest hit by the decline in conservative donations is Richard A. Viguier, the man who invented many aspects of direct-mail fund-raising, as well as several of his former employees.

Since the 1984 elections, Viguier has been struggling to stay afloat. Bruce Eberle, a Viguier competitor, said he operated in the red last year for only the second time in 12 years in the business, forcing him to fire some employees and cut salaries for those who remain. Stephen Winchell, a former Viguier vice president now running his own firm, had to cut his staff from 25 to 19.

Moral Majority, one of the most

See CONSERVATIVE, A15, Col. 1

Soviets Send Flagship to Libya Port

Qaddafi Uses Oil Money To Seek a 'Concrete Utopia'

By Christopher Dickey
Washington Post Foreign Service

TRIPOLI, Libya, Jan. 14—"Nobody should think the colonel is mad," said one European diplomat who studies Libyan leader Muammar Qaddafi closely day by day. "He is not mad at all. He doesn't know Europe or America or the world, but he knows how to play with the United States."

"He follows his ideas. He follows his dreams in a way," the diplomat said, rolling his eyes toward the ceiling of his office. "But in a quite coherent way."

What America has seen of Col. Muammar Qaddafi since he was accused by the Reagan administration of backing Palestinian attackers in the Rome and Vienna airport massacres is a man seemingly filled with vanity and delusions of great power, a leader obsessed with his image and his imaginings.

But in the shuttered streets of Tripoli, among the chanting crowds of popular congresses and in the headquarters of student revolutionary committees, the posturing and prophesying have become a curious, sometimes painful, but still a functioning way of life.

Qaddafi's *jamahariya*, or state of the masses, is in his eyes a "concrete utopia." Communists and other ideologues "failed in creating a utopia because it is imagi-

See QADDAFI, A23, Col. 1

Pentagon Says Probable Purpose Is to Track, Deter U.S. Forces

By George C. Wilson
Washington Post Staff Writer

The Soviet Union has stationed the flagship of its Mediterranean fleet in Tripoli to help Libyan leader Muammar Qaddafi keep track of U.S. military movements and to deter an American attack by standing close to one prospective target, Pentagon officials said yesterday.

The flagship, a submarine tender packed with radio gear, is part of an expanding electronic eavesdropping and warning net that the Soviets have been placing in the Mediterranean off the Libyan coast, administration officials said, at the same time that President Reagan is strengthening U.S. naval forces in the region.

Defense Department spokesman Robert B. Sims volunteered some details yesterday on changes in Soviet deployment of its ships off Libya, starting early this month. But he declined to link the changes to administration hints of military retaliation against Libya after the terrorist attacks at the Rome and Vienna airports on Dec. 27.

White House and State Department spokesmen at the time tied the terrorist acts to Libya and held out the possibility of a retaliatory strike. Military leaders, following routine contingency planning, mapped elaborate

See NAVY, A23, Col. 2

Drug-Related Fire Suspected In Rick Nelson Plane Crash

By Douglas B. Feaver
Washington Post Staff Writer

Federal officials are investigating the possibility that a form of cocaine use involving fire caused the New Year's Eve plane crash in Texas that killed rock-and-roll star Rick Nelson and six other people, sources said yesterday.

Both the pilot and the copilot, who survived the crash, have told investigators that they attempted to land the plane after a fire started in the passenger cabin.

"He made a good landing," one source said. "Except for the fire, everyone would have survived." The cause of the fire is undetermined.

The sources said that preliminary

toxicology reports indicate that Nelson's body contained a measurable level of unmetabolized cocaine, which means the drug had not been absorbed into the system at the time of death. They stressed, however, that final written reports from two toxicology laboratories are pending.

One form of cocaine use, called free-basing, requires mixing cocaine with flammable ether or ammonia. After the chemicals evaporate, the "free-base" cocaine is usually smoked in a glass pipe held over a steady flame, often a cigarette lighter. Users say the drug provides a powerful "high," similar to the one received from injecting cocaine into the veins with a needle.

See NELSON, A6, Col. 3

INSIDE

Teamster Contacts

President's Commission on Organized Crime criticized Reagan administration "contacts" with Teamsters union president. Page A2

Slush Fund Alleged

Common Cause charged that the National Republican Senatorial Committee pays bills with a \$1.4 million "political slush fund." Page A3

HEALTH

Pediatric dentists have learned to take the fear out of a checkup.

Inside Section E