DAILY NEWS

ring of untruth

By BRUCE DRAKE

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News Washington Bureau

WASHINGTON-President Reagan angrily blasted the press yesterday for a "complete distortion of the truth" in reporting chief of staff Donald Regan's remark that American women might be unwilling to give up their diamonds should the United States order an economic embargo of South Africa. He also said he remains "very much opposed" to economic sanctions against the white-minority regime in South Africa. Standing fast against calls for tougher moves to pressure Pretoria for reforms, Reagan told reporters in a Rose Garden encounter that "I am very much opposed to punitive sanctions."

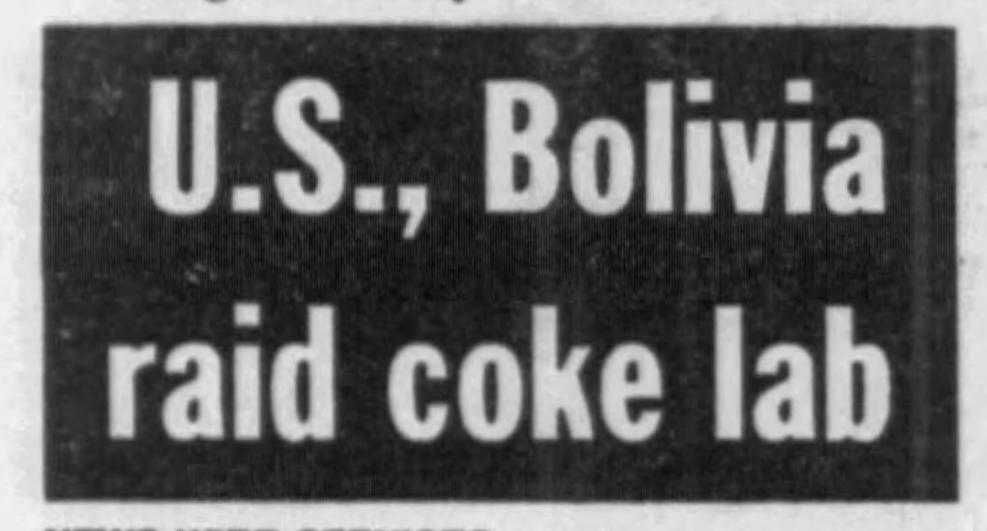
Congress for tough sanctions with a major speech on his South African policy Tuesday to the World Affairs **Council/Foreign Policy Association** at the White House.

Reagan may use the occasion to announce the nomination of Robert Brown, a black businessman, as his new ambassador to South Africa. The announcement depends on whether a background check on Brown is completed by then. Meanwhile, Reagan denounced reporters for quoting Regan as asking. "Are the women of America prepared to give up all their jewelry" if Western nations impose economic sanctions against South Africa?. Regan made the remark Wednesday in a "background" session with several reporters. Under ground rules for such sessions, the speaker may be quoted only as a "senior administration official." not by name. After the story was printed, other reporters identified Regan as the source.

Saturday, July 19, 1986



Reagan will try to slow the drive in



NEWS WIRE SERVICES

TRINIDAD, Bolivia-U.S. troops and Bolivian drug-busters descended into the country's eastern jungles yesterday to seize an "enormous" cocaine lab capable of producing thousands of pounds of the drug weekly, a government spokesman said. "There was no confrontation of any kind." Information Minister Herman Antelo said.



LIRR drug tests set

Long Island Rail Road workers directly involved in train operations will be required to undergo drug and alcohol tests starting next month, a railroad spokesman said yesterday.

Some 2,500 employes, including engineers, conductors, assistant conductors and signal workers would be affected by the regulation adopted July 9 to protect riders, according to spokesman Donald Malone. The tests, slated to begin Aug. 11. are being appealed in a suit filed last week in Brooklyn Federal Court by the United Transportation Union, representing conductors and trainmen.

BEATING THE HEAT WAVE: While Illinois blisters in a heat wave, Jennifer Smith, 6, of Elmhurst gets relief from temperatures in the mid-90s by racing her tricycle through a cooling spray. The sweltering weather is expected to continue through the weekend.

officials said.

NATION

3 get jail in slave case

KERRVILLE. Tex.-Three men convicted of kidnaping drifters for slave labor in a scheme that left one man dead received sentences yesterday ranging from four months to 15 years. All three had faced up to life in prison. A jury issued sentences two days after convicting rancher Walter Wesley Ellebracht Sr., 54. his son Walter Wesley Ellebracht Jr., 33. and Carlton Robert Caldwell. 21. a former ranch foreman, of conspiracy to commit aggravated kidnaping and murder.

equipment bureau to her own pocket, stood signals, said Federal Aviation Administration spokesman Mitch Barker.

AIDS battle abandoned

INDIANAPOLIS_A group of parents who fought to keep 14-year-old AIDS victim Ryan White out of school has decided to end its battle. the group's attorney said yesterday.



The raid. he said. "is the beginning of a grand plan that will last indefinitely until we can control this scourge. We hope that those who fled maybe will leave the country and not return."

Police arrested one man who was caught dismantling the processing equipment and also confiscated an airplane. Antelo said the lab was a log-frame, thatched-roof structure. with equipment capable of producing at least 3,300 pounds of cocaine weekly.



Mobster gets probation

Lawrence Iorizzo. the federal witness who admitted being part of a mob scam to avoid paying gasoline taxes, was sentenced to five years probation in Brooklyn Federal Court yesterday.

Judge Charles Sifton also ordered Iorizzo to make restitution of \$1.2 million to New York State and \$500,000 to the Ashland Oil Co. Iorizzo was a witness against reputed Colombo crime captain Michael Franzese.

Lineup for rape suspect

The man charged with sex attacks against four Brooklyn women in a spree of rapes, beatings and robberies will be placed in a lineup next week so a legally blind Manhattan businesswoman can determine whether he is the man who attacked her with a hammer and raped her. Police yesterday said they have matched fingerprints of Tyrone Graham. 26. of Brooklyn, with prints found in the upper East Side apartment of Eileen Musumeci Ross, 37. Cops said, however, they have no evidence to link Graham to a recent spree of other rapes on the upper East Side.

Officials fix 'flat tire'

WASHINGTON-Authors of the Gramm-Rudman balanced budget law announced a plan yesterday to fix the statute's "flat tire"-the part the Supreme Court declared unconstitutionalby giving the President's budget director the power to order automatic spending cuts.

Sen. Phil Gramm (R-Tex.) said "Gramm-Rudman-Hollings 2" would insure that the budget is balanced "by the end of the decade." The original bill gave the power to order spending cuts to the controller general.

Close call on runway

GRAPEVINE. Tex.—Two jets with a total of 266 persons aboard tried to land on the same runway at the same time. coming within 100 to 200 feet of each other. officials said yesterday. A Mexicana Airlines flight from Cancun. Mexico, and an American Airlines flight from Tulsa. Okla., were assigned to adjacent runways at Dallas-Fort Worth International Airport on Thursday, but the Mexicana crew misunder-

Nicaragua arrests soar

MANAGUA. Nicaragua-Almost 2.000 people have been jailed for counter-revolutionary activity and more arrests could occur as the United States steps up aid to Nicaraguan rebels. Interior Minister Tomas Borge has warned.

Sis seeks his release

BEIRUT—The sister of an American journalist held hostage in Lebanon received a Syrian visa yesterday and will fly to Damascus and try to meet with President Hafez Assad in her quest to free her brother.

Peggy Say. 46. of Batavia. N.Y.. sister of abducted Terry Anderson. had sought help from several governments. including Greece. in obtaining the visa.

Nixon meets Gorby

MOSCOW-Former President Nixon spent nearly two hours in the Kremlin with Soviet leader Mikhail Gorbachev yesterday discussing Soviet-American relations. a Nixon aide said.

The official Tass news agency, in a three-sentence report that also was read on state television, said the meeting was at Nixon's request and called the discussions "detailed and frank"-phrasing that usually indicates differences.

malpractice suit against a city hospital that misdiagnosed stomach pains as gastritis.

In fact, said her attorney, she suffered from an obstruction that forced the removal of most of her intestine.

The jury returned the verdict in favor of Agnes Whittaker. 55. formerly of the Bronx, in her suit against Linclon Hospital in the Bronx after a three-week trial. said lawyer Anthony Gentile. The misdiagnosis occurred in July 1982, and the subsequent operation forced Whittaker to take food through a tube, he said.

Suzanne Halpin of the Health and Hospitals Corporation said she could not immediately confirm details of the award.

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Police cashier suspended

A Police Department cashier suspected of stealing \$79,000 in cash that was supposed to be deposited in a department bank account was suspended yesterday pending further investigation. A Manhattan grand jury is expected to hear evidence against Lynette Rivers. a \$14.000-a-year cashier assigned to the police Bureau of Audits and Accounting. Rivers is suspected of diverting money from the department

From Daily News bureau and wire service reports.

