

News Digest

By The Associated Press

Trade deficit skyrockets, stunning experts

WASHINGTON — The U.S. trade deficit widened to a record \$17.6 billion in October, the government said Thursday in a report that confounded experts and sent the dollar plunging to new post-war lows.

The October deficit was an astonishing 25.3 percent higher than the \$14.1 billion imbalance in merchandise trade recorded in September, according to the Commerce Department figures.

"It's an understatement to say these are bad numbers. These are startling bad numbers," said Jerry Jasinoski, chief economist for the National Association of Manufacturers.

Many analysts had been expecting the trade figure to worsen modestly in October, perhaps climbing by \$500 million, given the fact that retailers normally step up their orders of imported goods to be ready for Christ-

mas. But no one had expected the \$3.56 billion surge that did occur.

"You are sitting there looking for one thing and here comes a hurricane that almost takes your head off," said Jay Goldinger, an economist with Cantor, Fitzgerald, a Los Angeles bond house.

The trade deficit sent the dollar plunging on foreign exchange markets in frantic trading despite reports that the Federal Reserve and central

banks in West Germany, England, Italy and other countries bought dollars in an effort to break the greenback's decline.

The dollar broke through the psychological barrier of 130 yen Thursday, selling at a record post-war low of 129.15 yen in mid-afternoon trading in New York.

Economists worried about what future troubles could be in store because of the stubborn refusal of the

trade deficit to show improvement despite an almost 50 percent decline in the value of the dollar against major currencies.

The Reagan administration launched an effort in September 1985 to push the value of the dollar lower in an effort to make imported goods more expensive and therefore less popular in this country while boosting the competitiveness of American products overseas.

Study shows heart-SIDS link

BOSTON — A newly discovered defect in the hearts of some babies may be responsible for half of all cases of sudden infant death syndrome, a major killer of infants, researchers say.

The baffling syndrome, also known as crib death or SIDS, strikes about one in every 500 babies in the United States. It is the most common cause of death among infants 2 weeks to 1 year old.

The new evidence suggests that these babies' hearts frequently have a defect in their electrical stimulation. The malfunction could make their hearts stall when they begin to speed up for any reason.

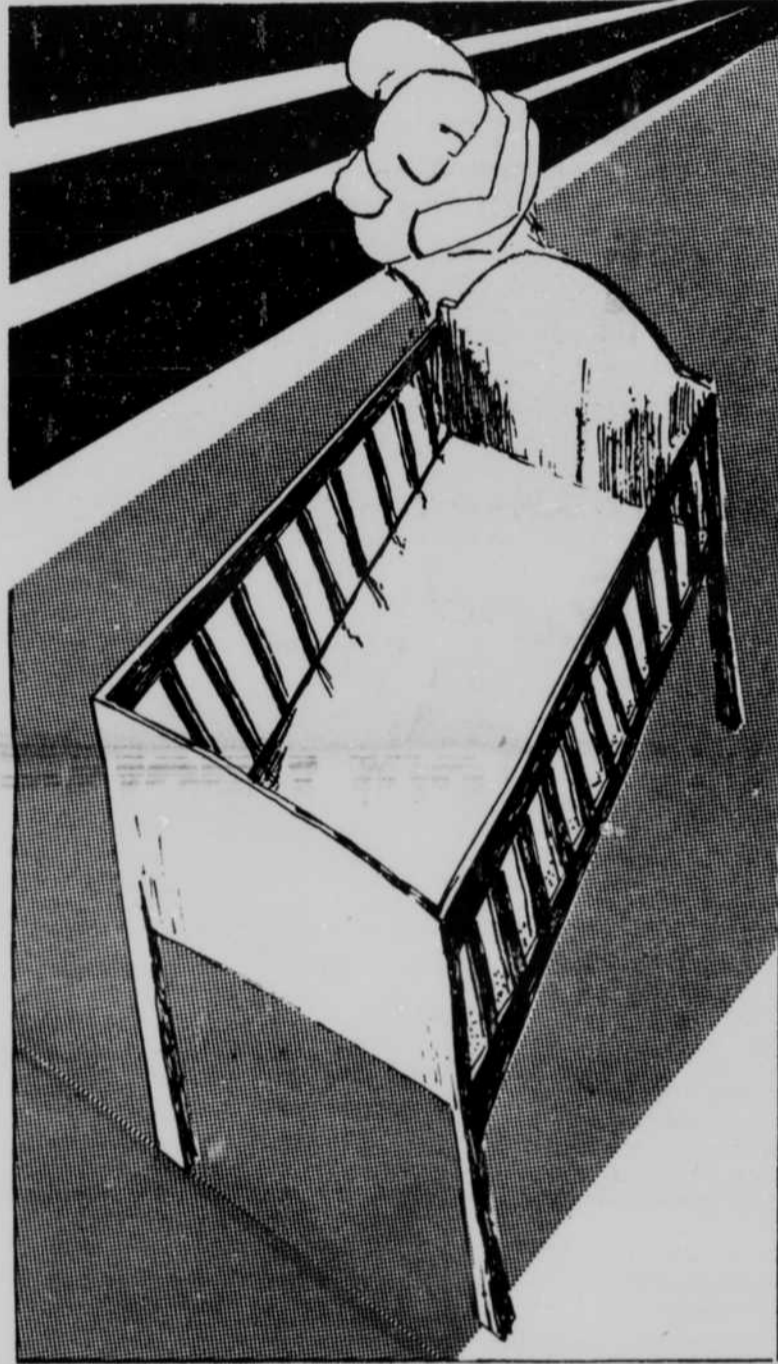
The discovery does not provide immediate new ways to prevent crib deaths. But the researchers say it may someday help identify babies who are at high risk so they could be treated with drugs.

"It is not something that will save lives next year, but it's a clue that there is something defective in the way the nervous system controls the heart," said Dr. Daniel C. Shannon, a co-author of the study at Massachusetts General Hospital.

He speculated the defect could result from immaturity or from damage triggered by an infection or toxin encountered as a fetus.

The number of children studied was too small to be certain how many crib deaths are caused by the heart defect, but Shannon said, "Our observations suggest it might account for half."

Sudden infant death syndrome has long been a medical enigma. Seemingly healthy babies die without warning, often in their sleep. Some clearly stop breathing because of a respiratory defect, but Shannon said they probably account for less than 10 percent of all cases.



John Bruce/Daily Nebraskan

Leaders conclude summit, report 'some progress'

WASHINGTON — President Reagan and Soviet leader Mikhail S. Gorbachev concluded three days of summit talks Thursday reporting "some progress" but no agreement to curb long-range strategic weapons and an impasse on the withdrawal of Soviet troops from Afghanistan.

But in an apparent concession, Gorbachev dropped his insistence for restrictions on Star Wars testing as a condition for cuts in strategic arsenals, a senior U.S. official said.

The United States also preserved the right for broad testing of the Star Wars program, the official said, even though Congress has imposed some restrictions.

In exchange, the United States agreed to adhere to the 1972 Anti-Ballistic Missile Treaty for a period of time yet to be negotiated, the official said. The official said, however, it would not constrain the program. Although a huge crowd of reporters attended the official's briefing, he insisted that his identity remain a secret.

The leaders agreed to hold another summit—their fourth—in Moscow in 1988 in the first half of the year, White House spokesman Marlin Fitzwater said. An administration official said "it might be possible with hard work" to have a strategic arms pact ready for signing in Moscow, but said a summit meeting would be held nonetheless.

Striking an upbeat tone, Reagan said, "This summit has been a clear success." Echoing that theme, Gorbachev said, "A good deal has been accomplished."

Said Reagan, this summit has lit the sky with hope for all people of good will."

At a news conference before leaving Washington, Gorbachev said the superpowers are emerging from "the long drawn-out confrontation" of the past four decades.

"Differences still exist and on some points those differences are

very serious indeed," the Soviet leader said. But "we do not regard them as insurmountable."

The two leaders, at a White House departure ceremony dampened by rain and overcast skies, stressed that their meetings had created a sense of good will important for reducing superpower tensions.

They parted with broad smiles and handshakes, in stark contrast to the scene at Reykjavik, Iceland, in October, 1986, when their meeting ended in a fight over Reagan's Star Wars missile defense plan.

Reagan-Gorbachev meet is 'etiquette disaster,' manners expert says

KEWANEE, Ill. — Plastic wrapping on roses, a blue suit at a black-tie dinner, unanswered invitations and other faux pas turned the superpower summit into an "etiquette disaster," according to manners maven Marjabelle Young Stewart.

"For the most part, it's been a great moment in Americans minding their manners," said Stewart, author of 15 books on etiquette and an occasional television talk-show guest.

For example, Raisa Gorbachev should have responded promptly to Nancy Reagan's invitation to meet over coffee, Stewart said.

"I can't believe she had to be prodded to respond to Nancy's invitation," she said.

The Reagans committed faux pas of their own, she said — the most glaring being the president's handling of the glassware when he toasted his guests.

"The president held his champagne glass by the bowl rather than by the stem," Stewart said. "Everyone knows the tips of your fingers will warm the glass. That's why you should hold it by the stem."

Deaver's prosecutor gives final comments

WASHINGTON — Lobbyist Michael K. Deaver gave false testimony to bury allegations he improperly traded on his White House influence, the prosecutor in the former presidential aide's perjury trial told jurors Thursday.

Deaver "started on a plan of deliberate cover-up and perjury was a part of it" to counter allegations he used his long association with President Reagan to get six-figure lobbying contracts, independent counsel Whitney North Seymour Jr. told jurors in closing arguments at Deaver's trial.

News stories that questioned

Deaver's lobbying activities helped scuttle the planned sale of Deaver's firm to a London public relations company for up to \$16 million, Seymour said.

But "Mr. Deaver didn't want a thorough examination, he wanted an independent counsel for an obvious reason — it meant the matter could be buried" inside a closed grand jury room, Seymour said.

"With any luck, the thing could be forgotten" if Deaver "could control the results of the grand jury investigation," Seymour said. "And that's what led to the perjury."

Junta to choose council

PORT-AU-PRINCE, Haiti — Haiti's military-dominated junta will choose a new Electoral Council and plans to hold new elections on Jan. 17, state-run television reported.

The government's move came after three of the nation's four top opposition politicians issued a joint declaration vowing to boycott any new elections organized by the interim government. A fourth top candidate also was expected to join the

boycott.

The government dissolved the original nine-member council after it cancelled Nov. 29 elections because of a wave of brutal killings and attacks on voters by gangs of thugs.

Five independent civilian groups refused to name new members and joined political leaders in calling for reinstatement of the original council. But government officials indicated the junta planned to go ahead anyway.

In Brief

Guilty verdict returned in Frankhauser trial

BOSTON — A former consultant to Lyndon LaRouche was found guilty today of charges he conspired to cover up millions of dollars in alleged credit card and loan fraud by the political extremist's 1984 presidential campaign.

A federal jury deliberated for about three hours over two days before returning the verdict in the case against Roy Frankhauser. Frankhauser, 48, of Reading Pa., faces up to five years in prison and a \$250,000 fine for conspiring to obstruct justice. He is a former member of the Ku Klux Klan and American Nazi Party.

ConAgra sets deadline for building its headquarters

OMAHA — ConAgra Inc. has set a Jan. 4 deadline for deciding if it will build a \$50 million headquarters and laboratory in downtown Omaha, the company said.

If land for a site along the Missouri River has not been acquired by that date, the company will build at another site. ConAgra's current headquarters building is in downtown Omaha. The company is considering building its new headquarters complex in an old warehouse district between the downtown business district and the river.

Costa Rican leader accepts Nobel peace prize in Oslo

OSLO, Norway — Costa Rican President Oscar Arias accepted the 1987 Nobel Peace prize Thursday, saying he hoped it would boost the chances of success for the Central American peace plan for which it was awarded.

Arias called on the superpowers to let Central Americans resolve their own problems.

"In the name of God, at least they should leave us in peace," he said.

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