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Downwardly Mobile

Many Find Gold Years Tarnished

By DAVID LAMB, Times Staff Writer

CHICAGO—The trappings of John and Bev Apostle's life are middle class. Their three-bedroom ranch home stands on a tree-lined suburban street. There's an '85 Buick and a pickup in the driveway. Among the vacation memories are trips to Rio de Janeiro and East Africa and a crazy, wonderful night when they flew to San Francisco just to have dinner at their favorite restaurant.

With the three children raised and an old mortgage at single-digit rates, Apostle had always figured that it was about now—at the age of 51, his quadruple heart bypass operation well behind him—that a man could take stock of his assets and know financial security was within reach. He wasn't thinking big money; he only wanted enough to make the future not threatening. After all, wasn't that what company loyalty and never buying anything you couldn't pay cash for were all about?

Surrendered Wages

Apparently not, because after 26 years with Trans World Airlines, Apostle—who asked that his real name not be used—has joined a growing number of middle-class Americans who are downwardly mobile. In an effort to save their jobs and their company, they have surrendered wages and benefits, and today, in a reversal of the American dream, they are altering their life styles and lowering their expectations as their paychecks shrink, their vacations grow briefer and their medical coverage declines.

Not in half a century has the United States seen so many "givebacks" affecting so many people. But from musicians with the Honolulu Symphony Orchestra to lumbermen in the Pacific Northwest, from steelworkers in West Virginia to Greyhound bus drivers in Montana, thousands of Americans with years of service at their companies are experiencing the vicissitudes of MAAD—Middle Aged and Downward. Airline flight crews have been affected. So have copper miners, Catalina Island ferry-boat pilots, and wire-service reporters.

'Not Easy to Change'

"I don't care what anybody says, it's not easy to change your life style," said Apostle, a TWA operations supervisor at O'Hare Airport. "I ask myself what could I have done to prevent this and I always come up empty-handed. Was I so blind I couldn't see what was happening to the company? Should I have gotten out? Am I trying to put the blame on someone else? How much of what's happened is my fault? Was it my lack of a college education?"

"I always figured I'd get an average salary and retire average, and when you see average slipping away, it's a terrible feeling. Don't get me wrong. We're not starving. We're not about to lose the house. But sometimes I stand out in the driveway and I ask myself: 'Where did I go wrong?'"

Since 1979, Apostle's before-tax paycheck from financially troubled TWA has fallen by \$1,200 a year. **Please see DOWNWARD, Page 14**



DON KELSEN / Los Angeles Times

For luck—Gov. George Deukmejian rubs the stomach of a Buddha statue as Co Pham, Vietnamese Chamber of Commerce president,

looks on. Deukmejian was in Westminster to unveil a freeway sign proclaiming the area as "Little Saigon." (Story, Part II, Page 1.)

AIDS Panel Endorses Stiffer Anti-Bias Laws

By MARLENE CIMONS, Times Staff Writer

WASHINGTON—The presidential AIDS commission sent a strong and far-reaching mandate to the Reagan White House Friday, calling for the expansion of federal anti-discrimination laws to protect the ill and infected and urging sweeping reforms in health care.

Wrapping up its nearly year-long assignment, the 13-member panel approved almost 600 recommendations that its members hope will serve as a comprehensive blueprint for a national strategy to combat the deadly epidemic. The report will be formally presented to the White House by the end of next week. Panel members estimated that the package of proposals would cost \$3.1 billion a year, divided among federal, state and local governments, with the federal government picking up two-thirds of the bill.

Late Compromise

The commission's relatively smooth approval of the bulk of the major recommendations Friday was expected because its chairman, Adm. James D. Watkins, said he had the consensus of the panel before he drafted the final document. However, panel members parted company with the chairman in one area—how to change the federal system for responding to a national health emergency—but were able to reach a compromise late Friday night.

Watkins had proposed giving the surgeon general enhanced powers to act during a national health crisis, such as AIDS. However, other commissioners objected to the concept of an AIDS "czar" and

Watkins dropped it.

The panel, agreeing that some structural change was needed to allow for a more effective response than occurred during the AIDS crisis, recommended that "some special management oversight entity" be created to ensure that an AIDS action plan was carried out and suggested that the White House consider a series of options to deal with AIDS and other future health-care emergencies.

These options include establishing an independent department of health care. **Please see AIDS, Page 23**

Few Solutions Seen at Summit in Toronto

By ART PINE, Times Staff Writer

WASHINGTON—When Ronald Reagan attended his first summit meeting of the seven major industrial democracies, in Ottawa in 1981, the newly elected American President was greeted as dangerously inexperienced in the world of diplomacy—and as something of a radical.

Reagan's aggressive free-market ideology clashed sharply with the emotionally charged socialism of France's new president, Francois Mitterrand. His tight-money economic policies angered West Germany's traditionalist chancellor, Helmut Schmidt. And his hard-line East-West stance—and refusal to consider huge economic concessions for Third World countries—frustrated Canada's prime minister, Pierre Elliott Trudeau.

Reagan was greeted then "with a certain skepticism, and perhaps even some derision," Treasury Secretary James A. Baker III conceded to reporters last week. Henry R. Nau, a former National Security Council specialist who

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Haiti President Fires Namphy, 2 Other Generals

By DON A. SCHANCHE, Times Staff Writer

MIAMI—President Leslie F. Manigat sacked longtime Haitian strongman Gen. Henri Namphy and two other army generals Friday, accusing them of insubordination following a constitutional confrontation three days ago that brought the troubled country to the brink of civil war.

Haitian national television and radio broadcast a surprise presidential decree abruptly retiring Namphy, who ruled the country for two years and who presided over the army-staged and deeply flawed election last January. Manigat emerged from that balloting as the military's choice to be Haiti's first civilian president since the discredited Duvalier family dictatorship fell in 1986.

The presidential decree also ordered the retirements of two Namphy loyalists in the army high command, Brig. Gens. Carl Michel Nicholas and Wilton Cherisson, charging all three with "a sort of insubordination . . . toward the constitutional commander in chief [the president]."

Failure to Consult

The action grew out of a crisis following Namphy's failure to consult Manigat on Tuesday before issuing an order retiring and transferring a dozen senior officers.

One of the affected officers, Col. Jean-Claude Paul, who is under indictment on drug-trafficking charges in the United States, refused Namphy's order transferring him to an administrative post and withdrew to the barracks of his fiercely loyal Dessalines battalion, Haiti's toughest infantry unit. There were fears Tuesday night that Namphy would attempt to lead loyal troops into an armed clash with Paul's infantrymen, touching off an intra-military civil war.

On Wednesday, Manigat intervened in the crisis and challenged Namphy by rescinding the transfer order on the constitutional grounds that he, as nominal commander in

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Scope of Defense Probe Broadening

Weinberger Told Data Was Leaked by Lehman Aides

By WILLIAM C. REMPEL, Times Staff Writer

ALEXANDRIA, Va.—Former Secretary of Defense Caspar W. Weinberger was warned at least three years ago that defense contractors had a "direct pipeline" to classified Pentagon budget documents through "leakers" in Navy Secretary John F. Lehman Jr.'s office, according to a heavily edited Defense Department report disclosed in federal court files here.

The report discloses that leaked documents ranged from budget and procurement memos to internal correspondence between Lehman and Weinberger. The document, identified in court records as a "talking paper," was drafted by security officials at Weinberger's request for discussions between him and Lehman on the subject.

Unfair Advantages

Although it apparently was prepared well before the current defense fraud investigation, the report exposed a pattern that is at the heart of the inquiry: defense contractors' and their consultants' use of classified, inside information from high-ranking Pentagon sources to gain unfair competitive advantages in bids for national defense contracts.

A key Navy procurement official at the time was Melvyn R. Paisley, a close Lehman friend and associate described by federal law enforcement sources as a central figure in the current fraud probe.

Paisley, a former Boeing executive, served in the Navy secretary's office from 1981 to 1987, when he left to become a free-lance defense contracting consultant.

Before drafting their report to Weinberger, the security officials told him that as many as five Lehman aides "continuously dis-

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Reps. Chappell, Dyson Under Investigation

By RONALD J. OSTROW and JOHN M. BRODER, Times Staff Writers

WASHINGTON—Federal investigators looking into widespread fraud and bribery in the nation's defense contracting system are now focusing their attention on potential wrongdoing in Congress, where two representatives are suspected of passing inside information, sources said Friday.

In addition to Rep. Bill Chappell Jr. (D-Fla.), chairman of the House Appropriations subcommittee on defense, House Armed Services Committee member Roy Dyson (D-Md.) is under investigation, The Times has learned.

Chappell said Thursday that his committee is not given information that would be useful to defense contractors. And Dyson said through an aide Friday: "To the best of our understanding, such reports are totally unfounded."

Probe Called 'Ill Wind'

The FBI investigation, code-named "Ill Wind" in bureau files, is also exploring the activities of the late Rep. Joseph P. Addabbo (D-N.Y.), Chappell's predecessor as head of the defense subcommittee, according to sources familiar with the inquiry. Addabbo died in April, 1986.

But law enforcement sources cautioned that the investigation on Capitol Hill is in its early stages and may not yield indictments.

Pentagon sources said Friday that two more Defense Department officials are under scrutiny for their roles in the alleged procurement scandal, in addition to the five high-ranking purchasing officers whose offices already have been searched.

The investigation was aided by wiretaps and electronic listening. **Please see INQUIRY, Page 22**

Texaco-Saudi Deal Could Raise Hackles if Not Prices

By DONALD WOUTAT, Times Staff Writer

Everyone knows you can trust your car to the man who wears the star, but what if he flies the OPEC flag over his gas station?

Most industry and government officials say Saudi Arabia's billion-dollar-plus outlay for a chunk of Texaco's U.S. oil refinery network and marketing business should help to stabilize oil prices and tend to ensure steady supplies of crude oil to this country.

Moreover, the fact that the Saudis and some other OPEC members are buying refineries in this country and Europe is seen as further evidence of the cartel's weakened grip on world oil markets. Some say it could eventually drive a wedge into the already fractious cartel.

But the announcement of the long-expected transaction—even though it is not the first investment by an OPEC nation in U.S. refineries—seems likely to trigger hear-

ings in Congress and renew concerns over U.S. energy supplies and security.

"I think there will be a great deal of interest in this in Congress. I'm certainly not prejudging this, but the consequences are so significant that Congress would be irresponsibly

Analysis

ble not to look into it," said California Rep. Mel Levine (D-Santa Monica). "A number of my colleagues feel the same way."

The agreement calls for Saudi Arabia to buy 50% of three Texaco refineries, 1,450 owned and leased gas stations and a distribution network of more than 10,000 independently owned Texaco-brand stations in a 23-state region in the southern and eastern United States. **Please see TEXACO, Page 10**

Court Rejects Lower Wage for Workers Who Get Tips

By HENRY WEINSTEIN, Times Labor Writer

A state appeal court in Sacramento unanimously struck down a "sub-minimum" wage scheduled to go into effect July 1 for employees who receive tips. The decision could affect as many as 500,000 California workers.

The new category of wage earners was created last Dec. 18 by a 3-2 vote of the state Industrial Welfare Commission, which raised the minimum wage in California from \$3.35 to \$4.25 for most workers but set a \$3.50 minimum wage for employees, such as restaurant workers, who receive at least \$60 a month in customer tips.

Under the unanimous ruling by the 3rd District Court of Appeal, employees who get tips would instead collect at least \$4.25 an hour. A spokesman for the commission said it will appeal the ruling to the state Supreme Court and seek to stay the appellate court order

pending a high court decision in the case.

The appeal court decision was filed Thursday and received by lawyers Friday.

"This is a great victory," said John F. Henning, executive secretary of the California Federation of Labor (AFL-CIO), one of several organizations that filed suit in March challenging the creation of a separate wage for employees who receive tips. Other plaintiffs included Welfare Action, a Los Angeles group of low-income people, and seven workers who receive tips.

"This is an important decision for the thousands of tipped employees in California," said Kathryn Granis of the Legal Aid Foundation of Los Angeles, one of the lawyers in the case.

Richard Stephens, a spokesman for the commission, said the commission will appeal the ruling to the state Supreme Court and seek to stay the appellate court order. **Please see WAGE, Page 26**

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A 'Shining Star' in Ascent
A Vietnamese girl is making the most of opportunities offered her in a new land. **Part II, Page 1.**

Angels Outlast Royals, 9-7
The Angels had 19 hits—five by Bob Boone—in a 3-hour, 46-minute victory over the Kansas City Royals. **Sports, Page 1.**

End of an Era
Irvine Co. marks the end of an era as it leases out 5,090 acres of orchards to be farmed by an Irvine grower. **Business, Page 5.**

Vote Due on Pinochet's Future

Politics Makes Comeback as Chile Awaits Plebiscite

By JAMES F. SMITH and WILLIAM R. LONG, Times Staff Writers

SANTIAGO, Chile—Seventeen volunteers sat on folding chairs in the otherwise empty living room of a modest suburban bungalow, plotting the defeat of Gen. Augusto Pinochet's military government.

Students and retirees, a Socialist with grimy hands and work boots, a copper mining magnate and an insurance salesman with horn-rimmed glasses worked together at the weekly strategy meeting. They outlined tactics for weekend door-to-door canvassing in their middle-class suburb, La Reina. They organized a car caravan, a campaign breakfast and a fund-raising collection of bottles and cans.

Representing eight political parties, from solid left to center-right, the group's unifying objective is victory in a planned plebiscite that

will be crucial to the political future of Pinochet and all Chileans.

The gathering in La Reina is an example of what is happening today on a wide scale throughout Chile, from the arid Atacama Desert in the north to the icy Tierra del Fuego islands in the south: Old-fashioned politics, long suppressed under Pinochet, is making a comeback in a nation that once was the political storm center of Latin America.

Parties are forming. Voters are registering. New television talk shows are featuring ideologues of the left and right. Campaigning is reaching a frenetic pitch.

Not since the overthrow of Marxist President Salvador Allende in 1973 has the Chilean scene been so charged. **Please see CHILE, Page 6**