

U.S./NICARAGUAN HUNTER-GAULT: Politics also played a role in foreign
AID affairs matters today, as a Democratic-controlled house
ignored pleas by Republicans and voted to deny aid to
Nicaraguan rebels. The vote was 294 to 118. Republican
leader Robert Michel warned that the move forces the
United States to be either an 'interventionist bully' or
an 'isolationist wimp.' But the Democrats, for the fourth
time this year, denied the funds and also tightened
restrictions on the ability of the CIA and other
intelligence agencies to shift funds secretly from one
account to another. Reacting from Santa Barbara, where
the president is vacationing, White House spokesman Larry
Speakes said the administration will continue working for
full funding.

Meanwhile, Nicaraguan officials have
reportedly called for direct talks between junta chief
Daniel Ortego and President Reagan. According to the
official Nicaraguan news agency, ANN, the proposal stemmed
from talks being held in Mexico between U.S. Special Envoy
for Central America Henry Schlaudemann and Nicaraguan
Deputy Foreign Minister Hugo *Tanoco.