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(NSC/ELLIOTT)

JANUARY 7, 1986

PRESS CONFERENCE OPENING STATEMENT

ON DECEMBER 27TH, TERRORISTS ATTACKED ROME AND VIENNA INTERNATIONAL AIRPORTS -- THE LATEST IN A SERIES OF ATROCITIES WHICH HAVE SHOCKED THE CONSCIENCE OF THE WORLD. IT IS CLEAR THAT THE RESPONSIBILITY FOR THESE LATEST ATTACKS LIES SQUARELY WITH THE TERRORIST KNOWN AS ABU NIDAL AND HIS ORGANIZATION. THE NUMBER OF HIS VICTIMS INCREASED BY 19; AMONG THEM 5 AMERICANS INCLUDING NATASHA SIMPSON, AN 11-YEAR-OLD GIRL. MANY OTHERS FROM AROUND THE WORLD WERE WOUNDED.

WE SHALL MAKE EVERY EFFORT TO BRING ABU NIDAL AND OTHER TERRORISTS TO JUSTICE. BUT THESE MURDERERS COULD NOT CARRY OUT THEIR CRIMES WITHOUT THE SANCTUARY AND SUPPORT PROVIDED BY REGIMES SUCH AS COLONEL QADHAFI'S IN LIBYA.

QADHAFI'S LONG-STANDING INVOLVEMENT IN
TERRORISM IS WELL-DOCUMENTED -- AND THERE IS
IRREFUTABLE EVIDENCE OF HIS ROLE IN THESE
ATTACKS. THE ROME AND VIENNA MURDERS ARE
ONLY THE LATEST IN A SERIES OF BRUTAL
TERRORIST ACTS COMMITTED WITH QADHAFI'S
BACKING. QADHAFI AND OTHER LIBYAN OFFICIALS
HAVE PUBLICLY ADMITTED THAT THE LIBYAN
GOVERNMENT HAS ABETTED AND SUPPORTED THE
NOTORIOUS ABU NIDAL TERRORIST GROUP WHICH
WAS DIRECTLY RESPONSIBLE FOR THE ROME AND
VIENNA ATTACKS.

QADHAFI CALLED THEM "HEROIC ACTIONS."
I CALL THEM CRIMINAL OUTRAGES BY AN OUTLAW
REGIME. BY PROVIDING MATERIAL SUPPORT TO
TERRORIST GROUPS WHICH ATTACK U.S. CITIZENS,
LIBYA HAS ENGAGED IN ARMED AGGRESSION
AGAINST THE U.S. UNDER ESTABLISHED
PRINCIPLES OF INTERNATIONAL LAW, JUST AS IF
IT HAD USED ITS OWN ARMED FORCES.

WE HAVE URGED REPEATEDLY THAT THE WORLD COMMUNITY ACT DECISIVELY AND IN CONCERT TO EXACT FROM QADHAFI A HIGH PRICE FOR HIS SUPPORT AND ENCOURAGEMENT OF TERRORISM. THE UNITED STATES HAS ALREADY TAKEN A SERIES OF STEPS TO CURTAIL MOST DIRECT TRADE BETWEEN OUR TWO COUNTRIES, WHILE ENCOURAGING OUR FRIENDS TO DO LIKEWISE. TERRORISTS, AND THOSE WHO HARBOR THEM, MUST BE DENIED SYMPATHY, SAFE HAVEN, AND SUPPORT.

IN LIGHT OF THIS LATEST EVIDENCE OF LIBYA'S GROWING ROLE IN INTERNATIONAL TERRORISM, IT IS CLEAR THAT STEPS TAKEN SO FAR HAVE NOT BEEN SUFFICIENT. TOUGHER, MORE COMPREHENSIVE MEASURES ARE REQUIRED BY THE INTERNATIONAL COMMUNITY.

ACCORDINGLY, I SIGNED TODAY AN EXECUTIVE ORDER STATING THAT THE POLICIES AND ACTIONS OF THE GOVERNMENT OF LIBYA CONSTITUTE A THREAT TO THE NATIONAL SECURITY AND FOREIGN POLICY OF THE UNITED STATES. CONGRESS HAS BEEN NOTIFIED OF THIS DECISION.

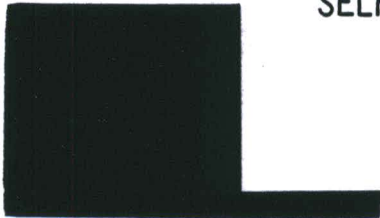
UNDER THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF THE UNITED STATES, I HAVE TAKEN MEASURES TO END VIRTUALLY ALL DIRECT ECONOMIC ACTIVITIES BETWEEN THE UNITED STATES OR U.S. NATIONALS AND LIBYA. THESE MEASURES, SOME OF WHICH TAKE EFFECT IMMEDIATELY, AND OTHERS NO LATER THAN FEBRUARY 1st, IMPOSE A TOTAL BAN ON DIRECT IMPORT AND EXPORT TRADE WITH LIBYA, EXCEPT FOR HUMANITARIAN PURPOSES. THEY PROHIBIT COMMERCIAL CONTRACTS AND OTHER TRANSACTIONS WITH LIBYA INCLUDING TRAVEL RELATED ACTIVITIES OTHER THAN THOSE NEEDED FOR JOURNALISM OR TO CARRY OUT THIS ORDER.



I CALL ON ALL AMERICANS IN LIBYA TO LEAVE IMMEDIATELY. THOSE WHO VIOLATE THESE ORDERS SHOULD KNOW THAT THEY WILL BE SUBJECT TO APPROPRIATE PENALTIES UPON THEIR RETURN TO THE U.S. LET THE GOVERNMENT OF LIBYA UNDERSTAND THAT IT IS FULLY RESPONSIBLE FOR THE WELFARE OF THOSE AMERICANS STILL IN LIBYA, AND THAT LIBYA WILL BE HELD ACCOUNTABLE FOR ANY ATTEMPT TO HARM THEM OR RESTRICT THEIR FREEDOM TO DEPART.



OUR DIFFERENCES ARE NOT WITH THE PEOPLE OF LIBYA, BUT WITH COLONEL QADHAFI AND HIS REGIME. WE HAVE TAKEN THESE STEPS AFTER MUCH REFLECTION, AND IN FULL AWARENESS OF THE ECONOMIC CONSEQUENCES WHICH THE UNITED STATES STANDS TO INCUR AS A RESULT. CIVILIZED NATIONS CANNOT CONTINUE TO TOLERATE, IN THE NAME OF MATERIAL GAIN AND SELF-INTEREST, THE MURDER OF INNOCENTS.



QADHAFI DESERVES TO BE TREATED AS A PARIAH IN THE WORLD COMMUNITY. WE CALL ON OUR FRIENDS IN WESTERN EUROPE AND ELSEWHERE TO JOIN WITH US IN ISOLATING HIM. AMERICANS WILL NOT UNDERSTAND OTHER NATIONS MOVING INTO LIBYA TO TAKE COMMERCIAL ADVANTAGE OF OUR DEPARTURE. WE WILL CONSULT WITH ALL OUR KEY ALLIES TO PURSUE THE GOAL OF BROADER COOPERATION.

ITALY'S PRIME MINISTER CRAXI, IN WHOSE COUNTRY ONE OF THE RECENT ATTACKS OCCURRED, PROPERLY EMPHASIZED THE NECESSITY NOT ONLY OF COPING WITH TERRORISTS, BUT IDENTIFYING "THOSE STATES THAT GUARANTEE TERRORISTS PROTECTION AND THE POSSIBILITY TO ARM AND ORGANIZE THEMSELVES TO CARRY OUT THEIR BLOODY RAIDS." QADHAFI'S LIBYA IS SUCH A NATION, AND WE CALL UPON OTHER NATIONS TO JOIN US IN DENYING IT THE NORMAL ECONOMIC AND DIPLOMATIC PRIVILEGES OF THE CIVILIZED WORLD.

IF THESE STEPS DO NOT END QADHAFI'S
TERRORISM, I PROMISE YOU THAT FURTHER STEPS
WILL BE TAKEN. THANK YOU. THAT CONCLUDES
MY STATEMENT.

BEFORE TAKING YOUR QUESTIONS, LET ME
EXTEND A WARM WELCOME BACK TO ONE OF YOUR
COLLEAGUES, SARAH MCCLENDON. SARAH HAS BEEN
ABSENT FOR A WHILE, BUT SHE IS BACK NOW AND
I'M DELIGHTED. SARAH IS A TRUE WASHINGTON
INSTITUTION WHO HAS SEEN A LOT OF HISTORY
THAT SHE HAS COVERED AGGRESSIVELY AND
FAIRLY. SARAH HAS KEPT SEVERAL OF MY
PREDECESSORS -- EIGHT PRESIDENTS IN ALL --
AND ME ON OUR TOES OVER THE YEARS, AND I AM
TRULY HONORED SHE CHOSE TONIGHT FOR HER
FIRST PUBLIC APPEARANCE. BUT I HAD A
FEELING SHE WOULDN'T MISS THIS. SO YOU SEE,
IT'S NOT THAT WE HAVEN'T BEEN HOLDING PRESS
CONFERENCES, I WAS JUST WAITING FOR SARAH TO
COME BACK.



- 8 -

AND IN HONOR OF HER RETURN, I'D LIKE TO
OFFER HER THE FIRST QUESTION. DON'T WORRY,
MIKE, YOU'LL GET THE SECOND ONE.
SO, SARAH...

#





PRESS THEMES/ Qs&As -

January 7, 1986

MEMORANDUM FOR LARRY SPEAKES

FROM:

for WILLIAM F. MARTIN *clm*

SUBJECT:

Press Themes and Questions and Answers for
Relating to Presidential Decision on Libyan
Restrictions

The NSC staff has determined that the attached themes and questions and answers are appropriate for use by internal Administration spokesmen, but not for transmittal to the President.

A separate set of talking points is currently being written for the President's use. We will transmit the materials by 1:00 p.m.

Attachment

TAB A Themes and Questions and Answers

cc: David Chew

Themes for Backgrounder

--The President announced tonight that we have taken rigorous steps to underscore our opposition to Qadhafi and his support for international terrorism.

--Nothing can justify terrorism. No political causes or ends can explain or rationalize the brutal murder of civilians.

--The President, by invoking IEEPA, has totally banned direct import and export trade with Libya, except for humanitarian purposes. He has also banned all service contracts with Libya and has prohibited all other transactions with Libya - or in which Libya has an interest - by the U.S. and its citizens. This includes travel other than that needed for the speedy departure of citizens from Libya or for journalistic activity;

--Companies that have continued to deal with Qadhafi's Libya since the imposition of our first sanctions in 1982 have been aware that we have been prepared to increase our sanctions if necessary, and our companies and citizens have been well aware of our opposition to their continued presence in Libya;

--It is useful to review the specific actions which led us to make the decision to impose more draconian economic sanctions on the Qadhafi regime;

--The attacks on the Rome and Vienna airports, as well as other recent terrorist incidents, were carried out by individuals clearly belonging to the Abu Nidal terrorist group;

--Abu Nidal is not only based in Libya, but also receives financial support as well as terrorist training in that country. The passports used by his operatives in Vienna had been confiscated from Tunisians expelled from Libya last year. Qadhafi's diplomatic missions have given logistical assistance to Abu Nidal's terrorist assaults;

--Qadhafi's news agency went so far as to term the latest mass murder a "heroic act". Qadhafi himself said the massacres were justified. Abu Nidal in turn has said openly and readily that he admires Qadhafi and welcomes all of his support

--Yet Qadhafi's support for terrorism is not limited to the Abu Nidal group. For over a decade, Qadhafi's agents and terrorist groups based in Libya have carried out acts of terrorism and murder in the Middle East, Europe, East Asia and the United States. Qadhafi has sponsored repeated subversion and violence against his neighbors. He is a major arms supplier to Iran, and his troops remain in Chad;

--The cost of Qadhafi's support for terrorism goes beyond its innocent victims. European and Middle Eastern countries have lost over one billion dollars in tourism this year alone;

--Countries everywhere are spending millions if not more in added security costs, and we will probably never know the full extent of investment opportunities lost because of terrorism;

--Europe has borne the brunt of the latest two outrages, but Arab friends have also been among Qadhafi's victims. Our friends and allies now agree with us that such actions cannot be cost-free;

--After the attack at Rome Airport, Prime Minister Craxi of Italy said that "It is necessary to identify those states that guarantee the terrorists protection and the possibility to arm and organize themselves to carry out their bloody raids";

--We believe that the time has come for more rigorous and directed action to deter Qadhafi, even if we incur a measure of commercial loss. We have taken a first measured and appropriate step on that road;

--We do not contend that this will bring an end to Qadhafi's sponsorship of terrorism. Such a goal will require the support and active involvement of a broad range of like-minded states;

--Nevertheless, with this Executive Order, we have made an important and clear statement, one that enjoys the broad support of the Congress and the American people - America and Americans will not do business with Qadhafi's Libya, and he must understand that support for terrorism is not cost-free;

--Further action is needed. We will consult with our friends, gauge the effect of these latest steps, and then decide whether we should pursue additional options which are available to us;

--If such steps are necessary, we will not hesitate to pursue them. Every state has a right to defend itself from terrorism. Meanwhile, we hold Qadhafi responsible for the safety of those Americans still in Libya;

--On the other hand, if this or any other Libyan regime decides to conform to the rules of civilized behavior, we will reassess our position. Our differences are not with the Libyan people, but with their leaders;

--For the moment, we have moved firmly and resolutely. America has made a strong and unequivocal statement that Qadhafi has become a pariah on the international stage and that we will have nothing more to do with him;

--We will build on this foundation to increase his isolation and the price of his support for terrorism. We call on others to work with us as we move toward our goal of bringing an end to Qadhafi's sponsorship of terrorism.

Question 1

Q: Doesn't the transaction ban requiring Americans to leave Libya cut across the basic constitutional right of Americans to travel and reside where they want to?

A: ABSOLUTELY NOT. IN FACT, THE SUPREME COURT HAS REPEATEDLY UPHELD THE CONSTITUTIONALITY OF CONTROLS ON FINANCIAL TRANSACTIONS, INCLUDING THOSE RELATED TO TRAVEL, LIKE THESE -- MOST RECENTLY IN ITS JUNE 28, 1984 DECISION IN REGAN V. WALD, CHALLENGING THE PRESIDENT'S AUTHORITY TO CURTAIL THE FLOW OF HARD CURRENCY TO CUBA BY RESTRICTING TRANSFERS RELATED TO TRAVEL.

Question 2

Q: With areas of this country still suffering from the effects of the recent recession, aren't we hurting ourselves more than the Libyans by cutting off exports and reducing U.S. jobs?

A: THE IMPACT ON THE U.S. ECONOMY OF A CUT-OFF IN TRADE WITH LIBYA WILL BE MINIMAL, BUT WHATEVER ITS EFFECT, WE ARE PREPARED TO BEAR IT. NO PRICE TAG CAN BE PLACED ON LIBYA'S CONDEMNABLE ACTIONS IN SUPPORT OF INTERNATIONAL TERRORISM. IN THE FACE OF QADHAFI'S CONTINUING ATTEMPTS TO INSTIGATE TERRORIST ATTACKS AGAINST AMERICAN TARGETS OR THOSE OF OUR ALLIES, WE WISH TO UNDERSCORE TO LIBYA, OUR EUROPEAN ALLIES AND OUR CONCERNED FRIENDS EVERYWHERE THE WILLINGNESS OF THE UNITED STATES TO FOREGO ECONOMIC BENEFITS TO DEMONSTRATE OUR TOTAL OPPOSITION AND OPPROBRIUM FOR THOSE WHO SUPPORT INTERNATIONAL TERRORISM.

Question 3

Q: Aren't we just "shooting ourselves in the foot" by preventing our own U.S. oil companies from doing business in Libya? Won't other nations come in and fill the breach?

A: WITHDRAWING U.S. OIL BUSINESS FROM LIBYA WILL CREATE ECONOMIC COSTS FOR LIBYA. ALSO, A KEY PURPOSE OF THESE STEPS IS TO MAKE THE FIRM AND UNEQUIVOCAL STATEMENT THAT WE WILL NOT DO BUSINESS WITH A REGIME WHICH PURSUES SUCH AN ACTIVE POLICY OF SUPPORT FOR TERRORISM. WE WILL BE ASKING OUR FRIENDS AND ALLIES FOR THEIR SUPPORT.

Question 4

Q: Aren't we overusing economic sanctions? First Nicaragua, then South Africa, now Libya. Isn't this an over-reaction? How can the U.S. business community recover from the image that it is not a reliable supplier?

A: THIS ADMINISTRATION HAS EXERCISED EXTREME CAUTION IN IMPOSING ECONOMIC SANCTIONS. IN EACH INSTANCE, WE HAVE FIRST TRIED OTHER MEANS TO SIGNAL OUR UNHAPPINESS WITH THE BEHAVIOR OF THESE COUNTRIES. THE IMPOSITION OF ECONOMIC SANCTIONS IS, HOWEVER, THE MOST POWERFUL PEACETIME PROTEST WE CAN MAKE.

Question 5a

Q: How will these new orders specifically affect Americans now in Libya?

A: SECTION 1(g) OF THE EXECUTIVE ORDER PROHIBITS U.S. NATIONALS FROM ENGAGING IN ANY UNLICENSED TRANSACTIONS IN LIBYA, OTHER THAN THOSE NECESSARY TO EFFECT DEPARTURE FROM THAT COUNTRY.

PERSONS WHO VIOLATE ANY LICENSE, ORDER OR REGULATION ISSUED UNDER THE EXECUTIVE ORDER ARE SUBJECT TO CIVIL PENALTIES OR FINES UP TO \$10,000. MOREOVER, WILLFUL VIOLATIONS CAN BE PUNISHED BY FINE UP TO \$50,000 OR IMPRISONMENT FOR NOT MORE THAN 10 YEARS, OR BOTH. (50 U.S.C. 1705)

Question 5b

Q: What will be the impact on pre-existing contracts for trade with Libya?

A: UNITED STATES COMPANIES WILL NO LONGER BE ABLE TO PERFORM UNDER EXISTING CONTRACTS.

Question 5c

Q: What is our current trade relationship with Libya? How much do we now export? What kinds of goods?

A: EXPORTS FROM THE U.S. TO LIBYA ARE PRESENTLY AT APPROXIMATELY \$300 MILLION PER YEAR, AND CONSIST PRIMARILY OF MACHINERY AND TRANSPORTATION EQUIPMENT, MANUFACTURED GOODS FOR INDUSTRIAL USES AND FOODSTUFFS.

Question 5d

Q: Has the oil ban been effective? How much have we already reduced our imports from Libya?

A: THE BAN HAS BEEN EFFECTIVE IN THAT WE NOW IMPORT NO LIBYAN CRUDE OIL OR PETROLEUM PRODUCTS. IN 1981 WE IMPORTED A TOTAL OF 115.6 MILLION BARRELS, OR MORE THAN A QUARTER OF LIBYA'S TOTAL OIL EXPORTS FOR THAT YEAR. OUR BAN ON LIBYAN OIL IMPORTS SERVES TO DEMONSTRATE U.S. OPPOSITION TO QADHAFI'S ACTIVE PURSUIT OF TERRORISM AND HIS ATTEMPTS TO SUBVERT GOVERNMENTS FRIENDLY TO THE U.S.

Question 5e

Q: What are the extent of Libyan assets in the U.S.? Are they going to be frozen?

A: LIBYAN ASSETS IN THE U.S. TOTAL IN THE HUNDREDS OF MILLIONS OF DOLLARS; THEY ARE NOT FROZEN.

Question 5f

Q: How much do U.S. companies have invested in Libya? What will happen to their assets there? What about the financial cost to them and to U.S. banks for defaulting on their performance bonds?

A: NO PRECISE FIGURES ARE AVAILABLE ON THE LEVEL OF INVESTMENT OF U.S. COMPANIES IN LIBYA. IT WOULD BE INAPPROPRIATE FOR ME TO SPECULATE ON THE FUTURE OF SUCH ASSETS.

Question 6

Q: What has been the reaction of the U.S. business community to these sanctions? Did they receive any forewarning? Do you expect court challenges?

A: THE U.S. GOVERNMENT HAS REPEATEDLY STATED ITS POSITION THAT BOTH U.S. CITIZENS AND U.S. COMPANIES SHOULD NOT REMAIN IN LIBYA. WHILE U.S. FIRMS DID NOT RECEIVE SPECIFIC FOREWARNING OF THIS PARTICULAR ACTION, COMPANIES THAT HAVE CONTINUED TO PARTICIPATE IN THE LIBYAN ECONOMY SINCE THE IMPOSITION OF OUR FIRST COMPREHENSIVE ECONOMIC SANCTIONS IN 1982 HAVE ALWAYS BEEN AWARE THAT THE UNITED STATES HAS BEEN PREPARED TO INCREASE ECONOMIC SANCTIONS TOWARDS LIBYA IF NECESSARY.

Question 7

Q: Are these economic sanctions evidence of a "do-nothing" policy? Shouldn't we be responding with force instead?

A: THESE SANCTIONS AND OUR EARLIER ONES HAVE A DEMONSTRABLE EFFECT ON LIBYA'S ECONOMIC WELL-BEING. THEY SIGNAL OUR DETERMINATION TO ISOLATE QADHAFI'S REGIME AND LIMIT HIS ABILITY TO SPREAD TERRORISM. QADHAFI'S LIBYA MERITS SIMILAR TREATMENT BY ALL CIVILIZED STATES. AMERICA NEITHER SHOULD NOR WILL DO BUSINESS WITH QADHAFI. OUR SANCTIONS ARE AN EXAMPLE THAT WE URGE OUR FRIENDS TO FOLLOW.

BEFORE CONSIDERING OTHER OPTIONS, WE FIRST WANTED TO TAKE EVERY POSSIBLE STEP TO SHOW OUR RESOLVE TO CUT OFF ALL AMERICAN COMMERCE WITH THE QADHAFI REGIME. ONCE WE JUDGE THE EFFECTIVENESS OF THIS STEP, AND THE SUPPORT WE RECEIVE FROM OTHERS, WE CAN THEN CONSIDER WHICH, IF ANY, OF OUR OTHER OPTIONS WE SHOULD PURSUE.

Question 8

Q: Are we trying to get our citizens out of Libya because we are about to engage in military action?

A: AMERICANS SHOULD NOT DO BUSINESS WITH QADHAFI'S LIBYA.

WE HAVE REPEATEDLY ISSUED STRONG RECOMMENDATIONS FOR AMERICANS TO DEPART LIBYA, AND U.S. PASSPORTS HAVE NOT BEEN VALID FOR TRAVEL THERE SINCE 1981. THE REASONS ARE CLEAR: WE CANNOT ENSURE THE WELFARE OF AMERICANS IN THAT COUNTRY, AND THE UNPREDICTABLE NATURE OF THE QADHAFI REGIME POSES A REAL THREAT TO THEIR SAFETY. TOGETHER WITH THE ECONOMIC MEASURES WE HAVE ANNOUNCED, THESE FACTS SHOULD ARGUE COMPELLINGLY AGAINST CONTINUED PRESENCE OF AMERICANS IN LIBYA.

Question 9

Q: Isn't this new policy likely to create a hostage situation in Libya? How do we know that Qadhafi will let them leave?

A: WE HOLD QADHAFI FULLY RESPONSIBLE FOR THE WELFARE OF THOSE AMERICANS STILL IN LIBYA. I WILL NOT SPECULATE ON THE COURSE WE MAY FOLLOW IF QADHAFI TAKES ANY ACTIONS WHICH THREATEN OUR CITIZENS.

Question 10

Q: Why aren't our NATO allies doing more to cooperate with us? Don't they share our perception of the danger posed by Libyan support of terrorism?

A: WE ARE URGING OUR FRIENDS AROUND THE WORLD, INCLUDING OUR NATO ALLIES, TO TAKE MEASURES TO REDUCE QADHAFI'S ABILITY TO SPREAD TERRORISM. OBVIOUSLY, THEIR EFFECT WILL BE GREATER IF OTHERS PARTICIPATE. WE BELIEVE THERE IS A GROWING PERCEPTION IN THE CIVILIZED WORLD OF THE DANGER POSED BY QADHAFI, AND WE WILL CONTINUE TO ENCOURAGE THE WORLD COMMUNITY TO ACT IN CONCERT TO CONTAIN HIS SUPPORT FOR TERRORISM.

Question 11

Q: Why should we contribute to Western European defense if they will not cooperate with us on sanctions against terrorism?

A: WE SHARE MANY COMMON INTERESTS AND FACE MANY COMMON DANGERS WITH OUR NATO ALLIES. WE ARE CALLING UPON THEM TO SUPPORT US IN OUR ACTIONS, AND TAKE SIMILAR MEASURES OF THEIR OWN. WE HOPE THEY WILL SEE THE COMMON INTERESTS WE ALL SHARE IN FIGHTING TERRORISM.

Question 12

Q: What do we expect the political impact of these sanctions to be in Libya? Won't they simply rally support around the Qadhafi regime?

A: OUR DIFFERENCES ARE NOT WITH THE LIBYAN PEOPLE, BUT WITH QADHAFI AND HIS TERRORISM-SUPPORTING REGIME. WE BELIEVE OUR SANCTIONS WILL MAKE CLEAR TO THAT REGIME THAT THERE IS A PRICE TO BE PAID FOR TERRORISM. WE DO NOT BELIEVE LIBYA'S FURTHER ISOLATION IS LIKELY TO GARNER MUCH POPULAR SUPPORT FOR QADHAFI AND HIS DESTRUCTIVE POLICIES.

Question 13

Q: If the regime in Libya does change and a more moderate leader replaces Qadhafi, won't we be harmed by our absence of a "presence" there? Won't it be hard for U.S. companies to reenter the Libyan market?

A: SHOULD A MODERATE LIBYAN REGIME EMERGE WE WOULD CONSIDER WHAT U.S. ACTIONS WERE APPROPRIATE UNDER THE CHANGED CIRCUMSTANCES. WITH RESPECT TO "HARM" TO U.S. BUSINESS INTERESTS IN THE POST-QADHAFI PERIOD, WE FIRMLY BELIEVE AMERICA SHOULD NOT DO BUSINESS WITH QADHAFI, REGARDLESS OF ECONOMIC CONSIDERATIONS.

Question 14

Q: How do these economic sanctions fit with reported plans to destabilize the Qadhafi regime?

A: THESE ADDITIONAL SANCTIONS WERE UNDERTAKEN IN RESPONSE TO QADHAFI'S CONTINUED SUPPORT FOR TERRORISM, PARTICULARLY THE ABU NIDAL GROUP THAT WAS DIRECTLY RESPONSIBLE FOR THE ATROCITIES IN ROME AND VIENNA. THEY ARE INTENDED TO RAISE THE PRICE QADHAFI MUST PAY FOR HIS SUPPORT OF TERRORISM.

Question 15

Q: What reaction do you anticipate in the Arab world? Won't there be some sympathy for a fellow Arab absorbing punishment from the West as a result of his support for the Palestinian cause?

A: WE HAVE ENCOURAGED ALL OUR FRIENDS TO CONDEMN QADHAFI FOR HIS SUPPORT OF TERRORISM, NOT FOR HIS CLAIMS OF SUPPORT FOR THE PALESTINIAN CAUSE. MANY ARAB STATES HAVE SUFFERED THEMSELVES FROM THE SCOURGE OF TERRORISM, AND REALIZE IT MUST BE ENDED.

Question 16

Q: Won't Qadhafi simply retaliate with an acceleration of his terrorist activities? Haven't we simply given another twist to the cycle of violence in the region -- even though economic sanctions are "peaceful" in nature?

A: THE WORLD CANNOT AFFORD TO PERMIT TERRORISTS TO CONTINUE THEIR MURDEROUS ACTIVITIES OR GRANT THEM IMMUNITY FROM RESPONSIBILITY FOR THEIR ACTIONS. THE PRICE WHICH WOULD ULTIMATELY BE PAID IN TERMS OF VIOLENCE AND LOSS OF INNOCENT LIFE WOULD FAR EXCEED THE COST OF TAKING EFFECTIVE ACTION TO STOP TERRORISM NOW.

Question 17

Q: Aren't we running risks to our citizens here in the U.S. by provoking Qadhafi with economic sanctions? What about his threat to bring terrorism to the streets of America? Haven't we made it more likely that U.S. airports will suffer attacks like the ones in Rome and Vienna?

A: WE HAVE TAKEN A VARIETY OF MEASURES TO REDUCE, AS FAR AS POSSIBLE, THE RISK OF TERRORIST ATTACKS IN THE UNITED STATES. WITH RESPECT TO QADHAFI'S THREATS, I CAN ASSURE YOU THAT WE WILL RESPOND IN AN APPROPRIATE MANNER TO ANY ADDITIONAL LIBYAN-BACKED TERRORISM. THE TIME COMES WHEN WE MUST SAY "ENOUGH IS ENOUGH."

Question 18

Q: Isn't there a touch of chauvinism in our foreign policy? Aren't we reacting differently to the deaths at the airports compared to the deaths in the Tunis raid and the deaths in the Palestinian camps in Lebanon?

A: THE UNITED STATES HAS MADE CLEAR ITS ABSOLUTE OPPOSITION TO TERRORISM. COUNTRIES SUBJECTED TO CONTINUED TERRORIST ATTACKS HAVE A RIGHT TO RESPOND IN AN APPROPRIATE MANNER IN SELF-DEFENSE. INNOCENT PEOPLE EVERYWHERE HAVE THE RIGHT TO LIVE FREE FROM TERRORISM.

Question 19

Q: Isn't what we call terrorism merely the method forced on groups that lack conventional military power? Aren't the Palestinians and Abu Nidal's group using methods that were glorified during our own Revolution and by partisan groups in occupied territories during World War II?

A: THERE IS NO JUSTIFICATION FOR TERRORISM -- PERIOD. WE CATEGORICALLY REJECT ANY ARGUMENTS THAT THERE ARE POLITICAL CAUSES AND ENDS WHICH CAN SOMEHOW EXPLAIN OR RATIONALIZE THE BRUTAL MURDER OF INNOCENT CIVILIANS.

Question 20

Q: Aren't we meddling in the internal affairs of another sovereign state when we act against groups we don't like?

A: -- NO, QADHAFI HAS ENGAGED IN UNJUSTIFIABLE ATTACKS ON US CITIZENS THROUGH HIS SUPPORT OF TERRORISTS. THE SITUATION IS NO DIFFERENT IF HE HAD USED HIS REGULAR ARMED FORCES TO DO SO.

-- OUR LATEST RESPONSE IS INTENDED TO CONVINCE QADHAFI THAT THESE ACTIVITIES ARE NOT COST-FREE. THERE ARE NO POLITICAL GOALS WHICH CAN JUSTIFY THE MURDER OF INNOCENT CIVILIANS, INCLUDING AN 11 YEAR OLD CHILD.

Question 21

Q: Where is the "smoking gun"? Aren't you proceeding on only flimsy and circumstantial evidence of Libyan complicity in the Rome and Vienna incidents?

A: --THE ATTACKS AT THE ROME AND VIENNA AIRPORTS, AS WELL AS OTHER RECENT TERRORIST INCIDENTS, WERE CARRIED OUT BY THE ABU NIDAL GROUP WHICH HAS BEEN OPENLY SUPPORTED BY QADHAFI.

--ABU NIDAL, THE LEADER OF THE GROUP RESPONSIBLE FOR THESE RECENT OUTRAGES, OPERATES FREELY IN LIBYA. HE HAS CONDUCTED TRAINING ACTIVITIES IN THAT COUNTRY, AND LIBYAN DIPLOMATIC MISSIONS HAVE GIVEN LOGISTICAL ASSISTANCE TO THOSE INVOLVED IN TERRORIST ASSAULTS. HE HAS PUBLICLY PRAISED AND THANKED QADHAFI FOR HIS SUPPORT.

--THE TUNISIAN GOVERNMENT PUBLICLY REVEALED THAT THE PASSPORTS USED BY THE VIENNA TERRORISTS WERE SEQUESTERED BY THE LIBYAN GOVERNMENT WHEN TUNISIAN WORKERS WERE EXPELLED LAST SUMMER. THESE DOCUMENTS COULD ONLY HAVE COME TO THE TERRORISTS THROUGH LIBYAN GOVERNMENT ACTION.

--AS THE ITALIAN AND AUSTRIAN INVESTGATIONS HAVE CONCLUDED, THE EVIDENCE OF LIBYAN INVOLVEMENT IS CLEARLY ESTABLISHED.

Question 22

Q: Aren't these sanctions and other actions the Reagan Administration has taken toward Libya evidence that the U.S. has a double standard and will not tolerate a developing country, like Libya, deviating from the U.S. in its definition of foreign policy goals?

A: WE'RE NOT TALKING ABOUT NORMAL ECONOMIC OR POLITICAL ISSUES ON WHICH GOVERNMENTS AND INDIVIDUALS MAY, AND OFTEN DO, DIFFER. AT ISSUE IS INTERNATIONAL TERRORISM ON WHICH THERE CAN BE NO DOUBLE STANDARD; IT MUST BE ROOTED OUT.

Question 23

Q: Isn't the terrorism that comes from Iran and from Syria a greater threat to U.S. interests? Why did you single out Libya - because it was an easy target? Why aren't you doing more to punish the regimes of Syria and Iran

A: -- LIBYA IS CLEARLY RESPONSIBLE FOR THE LATEST INCIDENTS -- THE EGYPTAIR HIJACKING AND MURDERS IN MALTA AND THE MURDERS IN THE ROME AND VIENNA AIRPORTS. LIBYA PUBLICLY EXPRESSED APPROVAL OF THE AIRPORT MURDERS, CALLING THEM "HEROIC ACTS". SUBSEQUENT LIBYAN STATEMENTS ATTEMPTING TO DISCLAIM ANY CONNECTION RING HOLLOW IN THE FACE OF THEIR PROVEN TRACK RECORD. WE ARE ALSO CONCERNED ABOUT SUPPORT FOR TERRORISM FROM OTHER STATES, AND HAVE SPOKEN ON THIS ISSUE PUBLICLY AND OFTEN- OUR POSITION IS WELL KNOWN._

Question 24

Q: Why are you acting now when you let the major terrorist incidents of the bombing of the U.S. marine barracks in Lebanon and our Embassy there go unpunished?

A: THOSE RESPONSIBLE FOR THE TRAGEDIES SHOULD NOT ASSUME THAT WE HAVE FORGOTTEN THEIR CRIMES. WE WILL CONTINUE OUR EFFORTS TO BRING THEM TO JUSTICE. THIS WILL NOT BE EASY, BUT OUR EFFORTS WILL CONTINUE.

Question 25

Q: Exactly which U.S. interests have been threatened by Libya's alleged support of international terrorism? Isn't it true that, with the exception of the sacking of the U.S. Embassy there in 1979, every intended Libyan terrorist action against a U.S. target has been thwarted in advance?

A: -- UNFORTUNATELY, WE HAVE NOT BEEN ABLE TO THWART ALL TERRORIST ACTIONS IN ADVANCE. WE WILL NOT FORGET THE FIVE AMERICANS WHO WERE MURDERED AT THE AIRPORT IN ROME, INCLUDING NATASHA SIMPSON, AN 11-YEAR-OLD SCHOOLGIRL. NOR WILL WE FORGET SCARLETT MARIE ROGENKAMP, KILLED IN THE HIJACKING OF THE EGYPTAIR PLANE TO MALTA.

-- THE QADHAFI REGIME HAS EVEN EXPORTED TERRORISM TO THE UNITED STATES, AND SEVERAL LIBYANS KNOWN OPPONENTS OF THE QADHAFI REGIME HAVE BEEN KILLED OR WOUNDED. A LIBYAN DIPLOMAT AT THE UNITED NATIONS WAS EXPELLED FROM THE UNITED STATES IN 1985 AFTER THE FBI DETERMINED HE WAS INVOLVED IN A PLOT AGAINST LIBYAN DISSIDENTS IN THE UNITED STATES.

-- FROM JANUARY THROUGH NOVEMBER OF LAST YEAR THERE WERE 695 INCIDENTS OF INTERNATIONAL TERRORISM, ABOUT 200 OF

WHICH WERE DIRECTED AGAINST AMERICAN INDIVIDUALS OR FACILITIES. NEARLY 2,000 PERSONS WERE KILLED OR INJURED, INCLUDING 17 AMERICAN DEAD AND 122 HURT.

-- THE QADHAFI REGIME IS ONE OF THE MAIN SUPPORTERS. OF INTERNATIONAL TERRORISM. PROOF OF QADHAFI'S SUPPORT FOR TERRORIST GROUPS SUCH AS THE ABU NIDAL GANG AND HIS REGIME'S DIRECT INVOLVEMENT IN TERRORISM IS CLEAR.

Question 26

Q. Libya has targetted U.S. personnel and interests before, under previous administrations. Isn't the private, diplomatic approach the best one to follow? Doesn't the attention accorded Qadhafi by sanctions and Administration rhetoric merely make him more important-in his own eyes and in the region?

A. LIBYA HAS BEEN STEADILY INTENSIFYING ITS SPONSORSHIP OF TERRORISM AND ITS TERRORIST ACTIONS POSE GREATER AND GREATER THREAT TO THE WORLD. THE INDISCRIMINATE NATURE OF THE SLAYINGS IN MALTA AND EUROPE HAVE FORCED US TO ADOPT MORE STRINGENT AND PUBLIC MEASURES.

Question 27

Q. Qadhafi has been reported to be mentally off-balance. Aren't you running the risk of provoking even more dangerous behavior by publicly punishing him with these sanctions?

A. QADHAFI CANNOT ESCAPE RESPONSIBILITY THROUGH SOME SORT OF "MAD MAN" THEORY. QADHAFI AND HIS REGIME ARE RESPONSIBLE FOR THEIR ACTS AND THEY MUST RECOGNIZE THAT THESE ACTIVITIES HAVE A PRICE.

-- OUR DIFFERENCES ARE NOT WITH THE LIBYAN PEOPLE AS A WHOLE, BUT WITH THEIR LEADERS. I AM DETERMINED THAT QADHAFI'S INVOLVEMENT WILL NOT BE COST-FREE.

Question 28

Q: With all the tough statements that came out of your Administration-- officially and unofficially-- isn't this final response a rather weak-kneed one? Won't perceptions of U.S. power be affected adversely?

A: --THIS ADMINISTRATION REQUIRES THAT ANY RESPONSE TO INTERNATIONAL TERRORISM BE APPROPRIATE, MEASURED AND FOCUSED. WHAT I HAVE ANNOUNCED THIS EVENING MEETS THAT REQUIREMENT.

-- IT MAY NOT, HOWEVER, BE A FINAL RESPONSE. IF QADHAFI CONTINUES HIS INVOLVEMENT IN INTERNATIONAL TERRORISM, THE UNITED STATES IS PREPARED TO CONSIDER ADDITIONAL MEASURES.

--WE HOPE THAT OTHER STATES, WHICH HAVE ALSO SUFFERED GRIEVOUSLY FROM THE QADHAFI REGIME'S SUPPORT FOR INTERNATIONAL TERRORISM, WILL JOIN US IN OUR EFFORTS. FOR OUR PART, WE WILL PRESS FORWARD REGARDLESS.

TALKING POINTS

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

January 7, 1985

MEMORANDUM FOR LARRY SPEAKES

FROM: WILLIAM F. MARTIN *WFM*
SUBJECT: Additional Talking Points Regarding Libya
for Presidential News Conference

Attached are additional talking points regarding Libya, prepared by the NSC, for the President's use in his press conference this evening.

Attachment

As stated

cc: David L. Chew

LIBYA

Expectations of Allied Cooperation

- o Cooperation of our allies and friends is critical to exact cost on Qadhafi by isolating Libya politically and economically.
- o U.S. will consult with allies and other friends to encourage cooperation in imposing economic and political sanctions. Depending on the effects of these steps, we may decide to pursue additional options.
- o Europe has borne the brunt of Qadhafi's latest outrages. European leaders surely recognize that the public sentiment for firm action against those who support terror is growing. For example, airport workers have gone on strike to protest this situation.
- o In our consultations, the U.S. will make it clear our position that allies will discourage, to the maximum extent possible, their nationals from replacing departing U.S. business and personnel.
- o Many Arab states have suffered from the scourge of terrorism. Arab leaders are aware of Qadhafi's uncivilized behavior. He is a threat to them as well.

LIBYA

Use of Force

- o U.S. continues to reserve the right to act in an appropriate manner in self-defense.
- o All available measures remain under consideration to bring terrorists to justice.
- o If Qadhafi continues his involvement in international terrorism, I will consider other measures.

LIBYA

Qadhafi's Involvement in International Terrorism

- o Qadhafi's role is well known. We will provide a White Paper tomorrow.

- o Qadhafi has already exported terrorism to the U.S., killing and wounding opponents of his regime.

LIBYA

Economic Sanctions

- o By invoking International Emergency Economic Powers Act:
 - banned direct import and export trade
 - banned all service contracts
 - other measures which will be discussed by experts
 - banned travel to Libya by U.S. citizens, other than what may be required for speedy departure or journalism.
- o Companies that have dealt with Libya since the imposition of sanctions in 1982 have always been aware that we might increase the sanctions.



PRESS MATERIALS

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

0146

January 7, 1986

MEMORANDUM FOR LARRY SPEAKES

FROM: WILLIAM F. MARTIN *WFM*
SUBJECT: Materials for Distribution to the Press at
this Evening's Background Briefing Regarding
Libya

Attached are materials to be distributed to the press this evening at the time of the background briefing. We are enclosing the diskette for the fact sheet on the Executive Order; at the suggestion of Ed Djerejian's office, we retyped this paper from the Department of State, but leave it to your office to print on Press Office letterhead and add an appropriate embargo.

Attachments

TAB A	Fact Sheet on Executive Order (with diskette)
TAB B	Fact Sheet on History of Sanctions
TAB C	Executive Order
TAB D	Transmittal Letters

cc: David L. Chew

A

FACT SHEET

EXECUTIVE ORDER ON LIBYA

January 7, 1986

The President today issued an Executive Order imposing broad economic sanctions on Libya in response to the Government of Libya's use and support of international terrorism aimed at American citizens and others. The Order effectively imposes a total ban on direct United States trade with Libya and prohibits transactions related to travel to or activities in Libya by U.S. citizens.

Effective immediately, United States persons are prohibited from engaging in the following activities:

- Granting or extending credits or loans to the Government of Libya;
- Transactions relating to commercial and other activities in Libya, including travel, except those transactions necessary to wind up such activities no later than February 1, 1986.

Effective February 1, 1986, United States persons shall be prohibited from engaging in the following activities:

- All imports into the United States from Libya and exports to Libya from the United States except for publications and news materials and certain humanitarian donations;
- Transactions relating to transportation to or from Libya;
- Purchase of goods for export from Libya to any country;
- Performance of contracts in Libya, or any other transactions relating to activities in Libya, other than press activity.

The Secretary of the Treasury, in consultation with the Secretary of State, will issue regulations implementing the President's Order.

B

FACT SHEET

SIGNIFICANCE OF U.S. SANCTIONS

U.S. economic sanctions on Libya have been progressively tightened. They were designed initially to avoid any direct contribution to Libyan military capabilities, but have been broadened to include other elements of the economy, as Libyan support for terrorism has grown.

May, 1978 -- Aircraft for military use and tractors capable of hauling tanks denied by validated license.

December, 1979 -- Libya designated a country repeatedly supporting acts of international terrorism.

January, 1980 -- With terrorism designation, exports making significant direct contribution to Libya's military or terrorist potential generally denied.

October, 1981 -- Controls expanded to cover all aviation components to any sector of Libyan economy.

December, 1981 -- Passport controls initiated for travel to, in, or through Libya.

March, 1982 -- Import of Libyan crude oil prohibited, export of oil and gas technology restricted.

March, 1984 -- Exports to Ras Lanuf petrochemical complex denied.

November, 1985 -- Import of Libyan refined products prohibited.

As a result of these sanctions, exports to Libya fell from \$860 million in 1979 to under \$200 million in 1983. Imports, which had been as high as \$7 billion in 1980, fell to less than \$9 million in 1983. Then exports began to grow again, approaching \$300 million in 1985, including some goods having almost-sensitive technology, while imports exceeded \$35 million.

These piecemeal trade controls did not cover all aspects of transactions between U.S. persons and Libya, notably specialized services of great importance to the Libyan economy, which we estimate may have been two to three times higher than the visible exports in the trade statistics.

The new sanctions will eliminate any U.S. contribution to the Libyan economy. U.S. companies will no longer pump Libyan oil or purchase it for sale anywhere in the world. U.S. construction and management firms will no longer aid major Libyan projects. Engineering and technical support for Libyan projects will no longer be provided by Americans. Criminal sanctions will face any American participating in the Libyan economy.

9

EXECUTIVE ORDER

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PROHIBITING TRADE AND CERTAIN TRANSACTIONS INVOLVING LIBYA

By the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), sections 504 and 505 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1514), and section 301 of title 3 of the United States Code,

I, RONALD REAGAN, President of the United States of America, find that the policies and actions of the Government of Libya constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. The following are prohibited, except to the extent provided in regulations which may hereafter be issued pursuant to this Order:

(a) The import into the United States of any goods or services of Libyan origin, other than publications and materials imported for news publications or news broadcast dissemination;

(b) The export to Libya of any goods, technology (including technical data or other information) or services from the United States, except publications and donations of articles intended to relieve human suffering, such as food, clothing, medicine and medical supplies intended strictly for medical purposes;

(c) Any transaction by a United States person relating to transportation to or from Libya; the provision of transportation to or from the United States by any Libyan person or any vessel or aircraft of Libyan registration; or the sale in the

United States by any person holding authority under the Federal Aviation Act of any transportation by air which includes any stop in Libya;

(d) The purchase by any United States person of goods for export from Libya to any country;

(e) The performance by any United States person of any contract in support of an industrial or other commercial or governmental project in Libya;

(f) The grant or extension of credits or loans by any United States person to the Government of Libya, its instrumentalities and controlled entities;

(g) Any transaction by a United States person relating to travel by any United States citizen or permanent resident alien to Libya, or to activities by any such person within Libya, after the date of this Order, other than transactions necessary to effect such person's departure from Libya, to perform acts permitted until February 1, 1986 by Section 3 of this Order, or travel for journalistic activity by persons regularly employed in such capacity by a newsgathering organization; and

(h) Any transaction by any United States person which evades or avoids, or has the purpose of evading or avoiding, any of the prohibitions set forth in this Order.

For purposes of this Order, the term any "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States or any person in the United States.

Sec. 2. In light of the prohibition in Section 1(a) of this Order, section 251 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1881), and section 126 of the Trade Act of 1974, as amended (19 U.S.C. 2136) will have no effect with respect to Libya.

Sec. 3. This Order is effective immediately, except that the prohibitions set forth in Section 1(a), (b), (c), (d) and (e) shall apply as of 12:01 a.m. Eastern Standard Time, February 1, 1986.

Sec. 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this Order. Such actions may include prohibiting or regulating payments or transfers of any property or any transactions involving the transfer of anything of economic value by any United States person to the Government of Libya, its instrumentalities and controlled entities, or to any Libyan national or entity owned or controlled, directly or indirectly, by Libya or Libyan nationals. The Secretary may redelegate any of these functions to other officers and agencies of the Federal government. All agencies of the United States government are directed to take all appropriate measures within their authority to carry out the provisions of this Order, including the suspension or termination of licenses or other authorizations in effect as of the date of this Order.

This Order shall be transmitted to the Congress and published in the Federal Register.

THE WHITE HOUSE,

D
7

THE WHITE HOUSE

WASHINGTON

January 7, 1986

Dear Mr. Speaker:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703, section 505 of the International Security and Development Cooperation Act of 1985, and section 301 of the National Emergencies Act, 50 U.S.C. section 1631, I hereby report that I have exercised my statutory authority to declare a national emergency and to:

- ° prohibit purchases and imports from and exports to Libya;
- ° ban U.S.-Libya maritime and aviation relations;
- ° ban trade in services relating to projects in Libya;
- ° ban credits or loans or the transfer of anything of value to Libya or its nationals, except their property held prior to the effective date of this order or transactions allowed by regulations providing for normal activities by Libyans lawfully in the United States; and
- ° prohibit transactions relating to travel by Americans to or in Libya, other than for commercial activities permitted until February 1, 1986, or those necessary for prompt departure from Libya or for journalistic travel.

These prohibitions are subject to regulation by the Secretary of the Treasury. Certain of the prohibitions in the order will apply as of 12:01 a.m. Eastern Standard Time, February 1, 1986. The remainder of the prohibitions of the order will become effective immediately.

I am enclosing a copy of the Executive order that I have issued making this declaration and exercising these authorities.

I have authorized these steps in response to the emergency situation created by international terrorism, in this instance the actions and policies of the Government of Libya. Its use and support of terrorism against the United States, other countries, and innocent persons violate international law and minimum standards of human behavior. These Libyan actions and policies constitute a threat to the security of the United States as well as the international community. Our Nation's security includes the security of its citizens and their right freely to go about their lives at home and abroad. Libyan use of and support for terrorism also constitute a threat to the vital foreign policy interests of the United States and of all other states dedicated to international peace and security.

Since Libya was officially designated under U.S. law in 1979 as a country that has repeatedly supported acts of international terrorism, the United States has taken a number of steps in response to hostile Libyan policies and actions. We have denied licenses for exports that may contribute to Libya's military potential or enhancing its ability to support acts of international terrorism. We have denied export of most national security controlled items; of goods or technical data which could contribute directly to the Ras Lanuf petrochemical complex; of aircraft, large off-road vehicles and parts with a high risk of diversion by Libya for military activities; and for oil and gas technology and equipment not available from third-country sources. On the import side, we have banned Libyan petroleum and, since November 1985, Libyan refined petroleum products. We have stopped Libyans from coming to the United States for aviation maintenance, flight operations or nuclear related studies. We have taken measures to limit the expansion of Libyan UN Mission facilities. We have also repeatedly called upon corporations to withdraw American citizens from Libya, for their safety, and we have restricted the use of U.S. passports for travel there. All these measures have not deterred Libya from its use and support of terrorism. Moreover, approximately 1500 Americans remain in Libya.

The Congress of the United States has repeatedly deplored the Qadhafi regime's use of and support for international terror. Recently it did so by enacting section 504 of the International Security and Development Act of 1985. Moreover, I have determined that Libya falls within the terms of another statute directed by the Congress against those countries that support terrorism against civil aviation, section 1114 of the Federal Aviation Act of 1958, as amended.

The United States reaffirms its call to Libya and all nations supporting terrorism to turn away from that policy. The United States also calls upon other nations to join with us in isolating the terrorists and their supporters. We must demonstrate by firm political and economic sanctions that the international community considers such actions intolerable, that states that engage in such actions cannot expect to be accepted members of the international community.

Failure to call Libya into account for its policy places the civilized world at the mercy of terrorism. This has necessitated the steps I have taken today. The terrible tragedies of Vienna and Rome demonstrate that no nation can be immune, that each nation must bear its fair share of the vital effort against the politics of terror. I call upon every nation to do so now.

Sincerely,

The Honorable Thomas P. O'Neill, Jr.
Speaker of the
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

January 7, 1986

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Sincerely,

The Honorable George Bush
President of the Senate
Washington, D.C. 20510