

January 8, 1986

CONFIDENTIAL

NATIONAL SECURITY DECISION
DIRECTIVE NUMBER 205

ACTING AGAINST LIBYAN SUPPORT OF INTERNATIONAL TERRORISM (S)

The scope and tempo of Libyan-supported terrorist activity against western targets is widening and accelerating. Americans, along with Europeans and Israelis, are increasingly being victimized by this violence. Evidence of Qadhafi's support of terrorism, to include the December 27 attacks in Rome and Vienna, is indisputable. While the objectives of specific terror operations vary, I have determined that the policies and actions in support of international terrorism by the Government of Libya constitute an unusual and extraordinary threat to the national security and foreign policy of the United States. (S)

To counter Qadhafi's behavior, the United States will pursue the following objectives:

- demonstrate resolve in a manner that reverses the perception of U.S. passivity in the face of mounting terrorist activity; and
- isolate Libya and reduce the flow of Western economic resources which help finance Libyan support of international terrorism. (S)

To achieve these objectives, I will issue an Executive Order invoking authorities under the International Economic Emergency Powers Act, the National Emergencies Act, Section 1114 of the Federal Aviation Act of 1958 as amended, and Section 301 of title 3 of the United States Code to terminate American economic activity in and related to Libya. The following economic sanctions shall be imposed, effective no later than February 1, 1986:

- a total ban on direct export and import trade with Libya, except for publications and donations of articles, such as medicine, for the relief of human suffering;
- a ban on service contracts (present and future) in Libya.

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- prohibition of travel-related transactions other than those incident to speedy departure from Libya or for journalistic activity;
- clarification that MFN under the Trade Expansion Act of 1962 and Trade Act of 1974 is inapplicable to Libya; and

The following sanctions are immediately effective:

- a prohibition on grants of new loans, other extensions of credit and transfers to Libya, Libyan controlled entities, or Libyan nationals, and of property other than their previously owned assets.
- as directed in NSDD 200, vessels under the effective control of or bearing the flag of Libya shall be refused entry to U.S. ports. Vessels suspected of being under the effective control of Libya may be subject to security provisions. (C)

The United States will not freeze Libyan assets at this time. (C)

Every effort shall be made to seek Allied implementation of comparable economic sanctions and agreement not to replace U.S. business and personnel. (C)

In addition to these economic measures, the United States will initiate a global diplomatic and public affairs campaign to isolate Libya. To that end the Department of State shall prepare a plan designed to curtail Libyan political activities inimical to western interests. (C)

Ronald Reagan

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NATIONAL SECURITY DECISION
DIRECTIVE NUMBER 205 ANNEX

ANNEX

ACTING AGAINST LIBYAN SUPPORT OF INTERNATIONAL TERRORISM (✓)

In support of the stated objectives of NSDD-205, this annex directs additional military measures and intelligence actions.

(S)

Near-term military deployments shall signal U.S. resolve, reduce the potential risk to American citizens in Libya, heighten the readiness of U.S. forces to conduct military action, and create uncertainty regarding U.S. intentions. To accomplish this mission:

- A second Carrier Battle Group shall proceed as soon as possible to the Central Mediterranean Sea;
- These forces shall conduct operations in international waters, to include the Gulf of Sidra, which demonstrate U.S. resolve and capability.
- The Secretary of Defense should submit a plan for these operations for review and approval by January 9, 1986. (TS)

Our long-term goals in Libya remain unchanged.

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