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# Libyan-Soviet Cooperation: The View From Tripoli

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Per Barbara  
Broun

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An Intelligence Assessment

~~Top Secret~~

NES 486-10033C

August 1986

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# Libyan-Soviet Cooperation: The View From Tripoli

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An Intelligence Assessment

This paper was prepared by [ ] Office of  
Near Eastern and South Asian Analysis. It was  
coordinated with the Directorate of Operations [ ]

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Comments and queries are welcome and may be  
directed to the Chief, Arab-Israeli Division, NESA,  
[ ]

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**Libyan-Soviet Cooperation:  
The View From Tripoli**

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**Key Judgments**

*Information available  
as of 15 July 1986  
was used in this report.*

Tripoli views its relationship with Moscow as one of convenience, with military cooperation as its foundation. Libyan leader Qadhafi considers Soviet support for his military to be vital both for Libyan defense and to provide teeth to his foreign policy. No other country is willing to offer Qadhafi's forces the broad-based support the Soviets provide.

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Since the US-Libyan clashes in March and April 1986, Qadhafi's interest in closer cooperation with Moscow has grown. He almost certainly perceives the USSR as the party most able to deter increased US pressure on Libya and will try to elicit greater Soviet diplomatic, military, and economic support. To secure this support, Qadhafi probably is prepared to increase the access of Soviet ships and aircraft to Libyan facilities. Indeed, he probably believes that a larger Soviet military presence in his country will prevent renewed US strikes.

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Qadhafi remains eager to maintain his independence of action and to avoid even the appearance of being a Soviet puppet. If Moscow is generous in increasing its support, he probably would be more willing than before to defer at least temporarily to Soviet interests in the formulation of some of his foreign policies. He could, for example, suspend major arms deliveries to Iran if he perceived that they were a significant irritant to the Kremlin.

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The Libyan military threat to US friends and assets in the region would be negligible but for Soviet arms, advice, training, and maintenance. The rapid construction by Soviet technicians of a second SA-5 complex in Libya—after missiles from the first complex had been fired at US aircraft—shows that Tripoli can secure Soviet help to increase Libya's capabilities even during periods of Libyan-US hostilities.

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August 1986

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**Contents**

	<i>Page</i>
Key Judgments	iii
Products of Cooperation	1
Military Cooperation the Centerpiece	1
Arms Sales	2
Port and Airfield Access	5
Advisers	7
Intelligence Cooperation	9
Diplomatic Cooperation a Spinoff	10
Economic Cooperation—Business Is Business	11
The Economics of Arms Supply	11
Nonmilitary Trade	11
Nuclear Cooperation	11
Qadhafi's Misgivings	12
Outlook	13
Qadhafi Wants More and Is Ready To Pay	13
After Qadhafi	17
Implications for the United States	17

**Figure 1**  
**Libya and the Soviet Union**



Boundary representation is  
not necessarily authoritative.



**Libyan-Soviet Cooperation:  
The View From Tripoli**

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Libya and the Soviet Union have established a resilient partnership that Tripoli views as increasingly important. At a time when Libyan leader Qadhafi feels increasingly pressed by the United States, Moscow's potential usefulness as a counterbalance almost certainly appears attractive. In light of the Western nations' diminishing willingness to supply or maintain Libya's military, Soviet support of its forces has become indispensable. Qadhafi has long viewed Soviet aims in Libya with suspicion and has worked to preserve his independence from Soviet control, but he is more likely than ever to accommodate Moscow's interests for the sake of guaranteeing continued Soviet backing.

The aftermath of the US air raids on Libya on 15 April highlighted both the depth and the current limits of Tripoli's ties to Moscow. Immediately after the raids, the Soviets:

- Reestablished an early warning link between the Soviet fleet in the Mediterranean—which was monitoring the US Sixth Fleet—Libyan General Headquarters, and a liaison ship in Tripoli,
- conducted a blue-ribbon review of Libyan performance and defense needs.
- Began a propaganda barrage against the US action.
- Postponed a meeting with the US Secretary of State.

Qadhafi indicated his frustration that the Soviets went no further than this, publicly claiming that "the ordinary [Libyan] citizen may conclude that the Soviet Union has failed him." Nevertheless, Qadhafi probably accepts that the Soviets will not go so far as to fight the United States on Libya's behalf. He has no other ally that can offer more significant support,

and almost certainly he will go far to assure that close cooperation with Moscow continues.

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Highlighting this Libyan interest was the urgent dispatch of a senior delegation to Moscow in May. Qadhafi's deputy, Abd al-Salam Jallud, headed a large group of Libyan officials, including the commanders of the Air Force, Navy, and Air Defense Force, as well as the Ministers of Economic Development and Industry.

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Results of the visit remain undisclosed, however, except for a statement by a Soviet Foreign Ministry official that the partners agreed to "greater cooperation."

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**Products of Cooperation**

Cooperation with the USSR has produced a broad range of benefits for Libya. Military ties are at the heart of the relationship, providing vital support to Libya's forces and teeth to its foreign policy. Other benefits, largely diplomatic, spin off from this core of military cooperation and probably are of growing interest to Qadhafi. (S NF)

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**Military Cooperation the Centerpiece**

**Arms Sales.** The USSR sells the equipment and training Libya needs to support its claims of being the Arab world's arms warehouse and a potent regional military power. 70 percent of Libya's arsenal is Soviet built (see inset). Libyan purchases since 1970 total over \$15 billion, exceeded outside the Warsaw Pact only by Syria

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3.3(b)(1)



**From Antagonism to Cooperation:  
Development of the Relationship**

In the early years of his regime, Qadhafi openly criticized Communism and Soviet policies toward the Arab states and rebuffed Moscow's overtures. In return, Soviet commentators ridiculed his "Third Universal Theory" for social order. Although Qadhafi included the USSR in his wide-ranging search for arms for his underequipped military and made small purchases between 1971 and 1973, he showed no interest in a closer relationship. [ ]

guaranteed [ ]

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The first breakthrough in the relationship was prompted by the 1973 Arab-Israeli war. Qadhafi's speeches indicate that outrage over his failure to have a say in the prosecution of the war prompted him to build an Arab arms stockpile to make him a key player in the next conflict. The USSR was the only country willing to provide the comprehensive arms package he sought. In 1974, Libya signed a contract with the Soviet Union for more than \$2 billion worth of jet fighters, submarines, tanks, surface-to-air missiles, and missile boats. At the same time, the two countries established a commission to promote technical and economic cooperation. Qadhafi treated the relationship as strictly business, paying cash for Soviet arms, advisers, and technicians, and resisting Soviet appeals for access to Libyan ports and airfields. [ ]

Qadhafi's interest in closer links to Moscow increased further in 1981 as Libya's diplomatic isolation compounded his sense of vulnerability. Tripoli had been widely condemned for invading Chad in 1980. France, Tripoli's largest source of Western arms, cited the invasion in refusing to deliver weapons for which Libya had already paid. The Libyan-Syrian union, announced in 1980, was by 1981 clearly stillborn. In varying degrees, each of Libya's neighbors—even tiny Malta—demonstrated animosity toward the Qadhafi regime. [ ]

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By spring 1981 a closer partnership with Moscow almost certainly appeared attractive. Public statements by Qadhafi indicate his belief that the occasional presence of Soviet units at Libyan facilities could deter US or Israeli attack. At the same time, Soviet advisers could help expand and accelerate Libyan military training in order to enhance the country's self-defense capabilities. Major Soviet warships and naval aircraft visited Libya for the first time in July 1981. The quality of the training given Libyans on Soviet-built equipment began to improve notably in 1982. [ ]

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**1980/81 Watershed**

We believe that Qadhafi became interested in a closer relationship with Moscow as a result of heightened concern for Libya's security in 1980 and 1981. US naval forces conducted two major exercises near the Libyan-claimed Gulf of Sidra in 1980, encountering Libyan ships and aircraft both times. The Libyans began referring to US reconnaissance aircraft off Libya as "spy planes," [ ]

In 1983 progress toward closer ties slowed. According to the Libyan press, in that year the partners "agreed in principle" to pursue a Friendship and Cooperation Treaty, but they apparently have been unable to arrive at terms for the pact [ ]

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[ ] Some movement in the relationship has followed the accession of the more vigorous Gorbachev to the Soviet party leadership, but no clear milestones in the relationship have been evident. [ ]

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In May 1981 the United States expelled the Libyan People's Bureau from Washington and advised that the safety of US personnel and interests in Libya could not be [ ]

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Figure 2. Qadhafi and Gorbachev meet in Moscow, October 1985

*Are these guys having fun?*



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Table 2  
Libya, the Preferred Customer

	First Year Exported Outside Warsaw Pact	First Year Exported to Libya
MIG-25 Foxbat	1978	1978
MIG-23 Flogger B	1979	1981
MIG-23 Flogger G	1982	1984
MI-25 helicopter gunship	1978	1979
MI-14 ASW helicopter	1981	1981
T-72 tank	1979	1979
Osa-II missile boat	1974	1976
SA-8 surface-to-air missile	1982	1982
SA-13 surface-to-air missile	1985	1985

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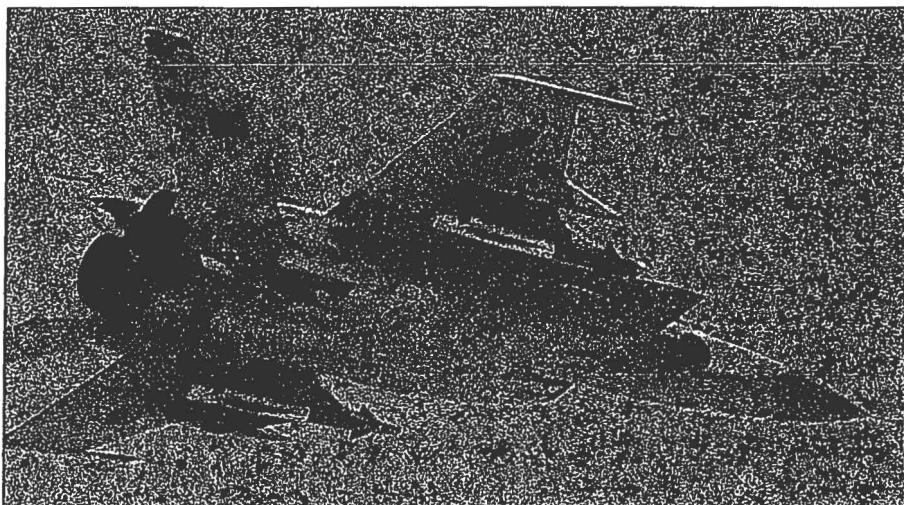
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*Figure 3. SA-8 and MIG-25: Libya was the first recipient of these weapons outside the Warsaw Pact*



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**Port and Airfield Access.** Soviet naval ships and aircraft have been calling at Libyan ports and airfields since 1981. Soviet IL-38 antisubmarine aircraft frequently deploy to Tripoli to conduct antisubmarine and reconnaissance missions against US and NATO fleets throughout the Mediterranean. Access to Libyan bases, together with Syrian airfields, allows the USSR to conduct its first aerial reconnaissance of all

the Mediterranean since the Soviets were expelled from Egypt in 1972. Use of Libyan airfields allows the aircraft to reach the western Mediterranean, which they cannot do from Syria. In addition, Soviet submarines occasionally use Tobruk as a secure anchorage for maintenance to alleviate Soviet service demands at Tartus, Syria, which has long been used for similar purposes.

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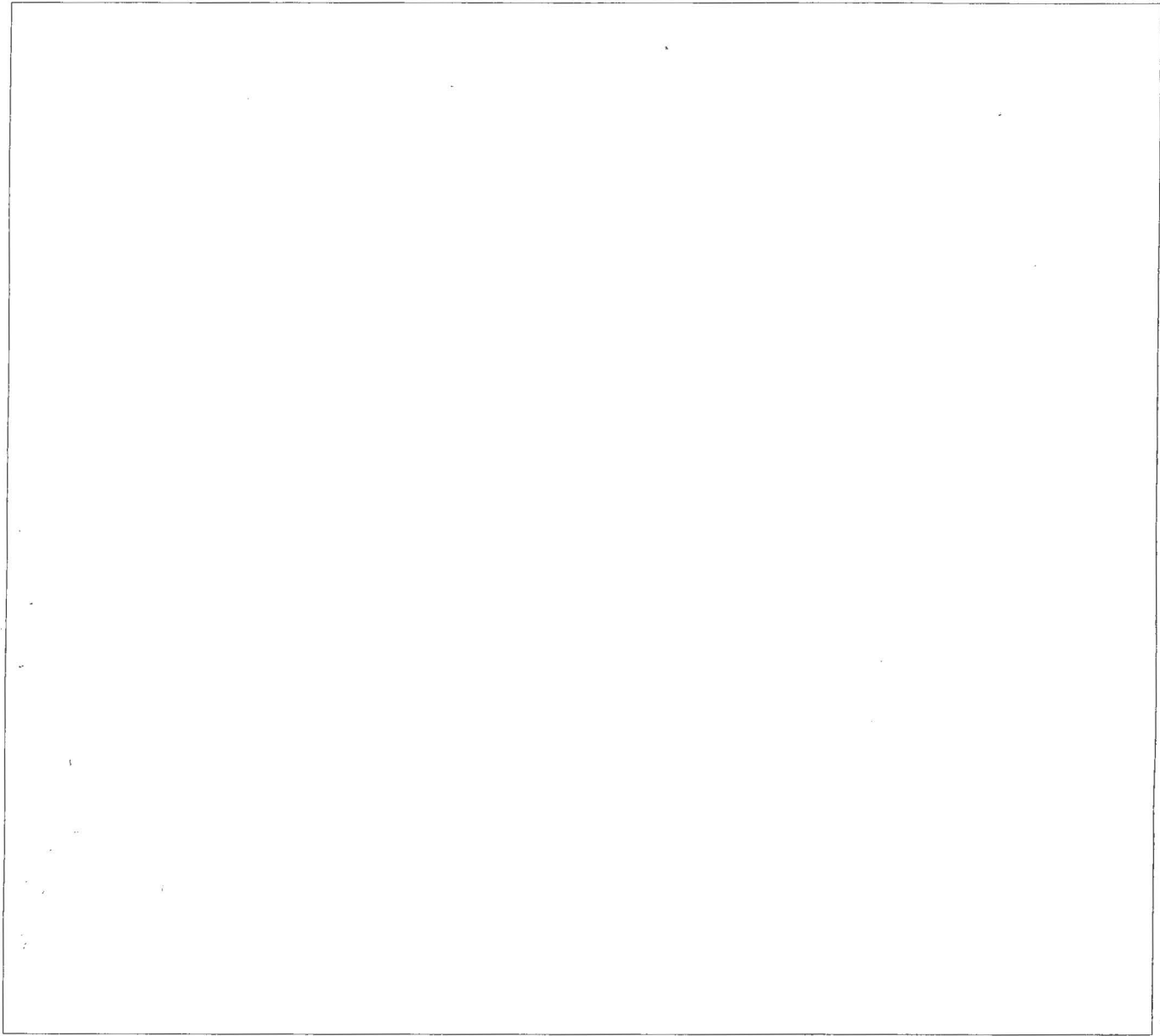
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**Advisers.** We estimate that about 2,000 Soviet and 1,000 East European advisers and technicians provide essential instructional, planning, and maintenance assistance to Libya's military establishment. They are found in Libya's Army and Air Defense Force down to the battalion level, in military schools, with many Navy and Air Force squadrons, and with the major staffs. We have no information indicating that they have manned any weapon system for the Libyans.

We believe that these advisers have had a profound influence on Libya's military capabilities and planning:

- [ ] the Libyan Army is in 3.3(b)(1) the process of reorganizing along Soviet lines, with battalions and brigades similar in size and composition to their Soviet counterparts. The reorganization emphasizes traditional Soviet themes of mobility and firepower.

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3.3(b)(1)  
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**Al Jufrah Airbase: Libyan Plans and Soviet Contingencies**

*A large and modern airfield at Al Jufrah, under construction by Soviet engineers since 1981, is nearly complete.*

*some of these Soviet-built aircraft are at the base already*

*in the heart of Qadhafi's tribal area—is to be the site of Libya's General Headquarters and Qadhafi's new capital.*

*The Soviets probably will be allowed contingency access to Al Jufrah. they built a facility there for large air-to-surface missiles such as AS-4s or AS-5s. (No Libyan aircraft is configured to carry these missiles, but their Blinder bombers could eventually be so modified.) This implies that Moscow intends eventually to sell Libya these weapons or sees a contingency in which Soviet strike aircraft would use the facility, or both. Soviet Navy Badger and Backfire bombers can carry these missiles. Qadhafi may not be aware of the intended function of the missile facility, but he will not dismiss out of hand a Soviet request to operate strike aircraft temporarily from Al Jufrah. If he believes an attack on Libya is imminent, he may seek it.*

- Libyan and Soviet ships conducted exercises off Libya in 1982 and 1983 that we believe were designed to increase Libya's capability to defend itself against a US naval assault.

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- The Soviet Union probably had an instrumental role in Libya's success in hiding its forces in Chad after the signing of the Franco-Libyan withdrawal agreement in 1984

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Despite this large and pervasive advisory presence, it is unlikely that Moscow has gained any control over the use of Libyan forces

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Meanwhile, Qadhafi's security apparatus—which permeates the military—undoubtedly watches for attempts at covert foreign control that could eventually threaten the regime.

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[redacted]

testing, were harming US-Soviet relations. Shevardnadze publicly urged the United Nations to use all means at its disposal to stop the US use of force against Libya. The Soviet gestures undoubtedly fell short of Qadhafi's hopes at the time, but he probably now views them as the most important diplomatic support Libya received in those tense times. [redacted]

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There are numerous earlier examples of low-cost ways the two partners have provided mutual diplomatic support. Tripoli has:

- Publicly supported the Soviet occupation of Afghanistan, a rare stance for a Muslim state.

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- Advocated closer ties between Moscow and Arab capitals.

- Supported Moscow's efforts in Europe to oppose the development of "Star Wars" technology and to promote disarmament.

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Moscow has:

- Condemned US threats and military action against Libya.

- Publicly criticized the French presence in Chad while justifying the Libyan occupation.

- Criticized London's reaction to the Libyan shooting in 1984 of anti-Qadhafi demonstrators and a British policewoman in St. James Square.

- Actively helped Libya avoid a UN Security Council condemnation for its meddling in Sudan in 1983. The US Mission at the United Nations assessed that any resolution condemning Libya would face a Soviet veto.

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There are no examples of instances in which diplomatic support by either partner has helped the other achieve significant political victories. [redacted]

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Moscow's provision and maintenance of Qadhafi's military arsenal indirectly support his diplomacy. Soviet equipment enhances his reputation in the Third World. The perception that Libya has tanks as good as those of the United States, for example, probably

[redacted]

The Libyan military is the organization Qadhafi sees as the single largest threat to his regime, judging by the security precautions he has imposed. Soviet advisers, with their broad access to the Libyan military, may be in a good position to detect at least some unrest and coup plotting.

#### Diplomatic Cooperation a Spinoff

Although military cooperation between Tripoli and Moscow is widespread, their diplomatic cooperation has been much less comprehensive. The political orientation of the two states frequently produces complementary foreign policies toward the West, but we doubt that there is significant cooperation in the formulation of these policies. Qadhafi's dogged protection of his freedom of action is a principal restraint. The result is mutual support in international forums when suitable opportunities arise and generally private bickering when Libyan and Soviet foreign policies conflict. [redacted]

The Soviet Union provided its most significant—but still low-cost—diplomatic support to Libya to date in the aftermath of the US air raids on Tripoli and Benghazi. Immediately after the raids, Moscow postponed a meeting between Soviet Foreign Minister Shevardnadze and the US Secretary of State to protest the US action. Soviet General Secretary Gorbachev gave a speech asserting that US actions in Libya and Nicaragua, as well as continued nuclear

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impresses many Third World leaders and radical groups. The size and sophistication of the Libyan arsenal draw some, like Iran and Nicaragua, to Qadhafi's doorstep. [redacted]

**Economic Cooperation—Business Is Business**  
**The Economics of Arms Supply.** The Libyan-Soviet arms supply relationship dominates bilateral trade. Between 1974 and 1982, Libya was the largest recipient of Soviet arms outside the Warsaw Pact. Since 1982 it has been surpassed by Syria's extensive military reconstruction effort following the Israeli invasion of Lebanon and the battering of Syria's forces. [redacted]

Oil is the chief medium of Libyan payment for these arms. An oil-barter arrangement between Tripoli and Moscow was worked out after the soft oil market led to lengthy delays in Libya's hard currency payments to the USSR. [redacted]

Even with oil barter, we believe that payment problems on military contracts remain a source of friction. By tracking deliveries, we estimate Libya's current military obligations to the USSR are \$700-800 million annually. [redacted]

[redacted]

**Nonmilitary Trade.** Soviet trade statistics indicate that Libyan-Soviet nonmilitary trade has averaged about \$300 million a year since 1980, about 6 percent of Libya's nonmilitary trade. Libya almost certainly

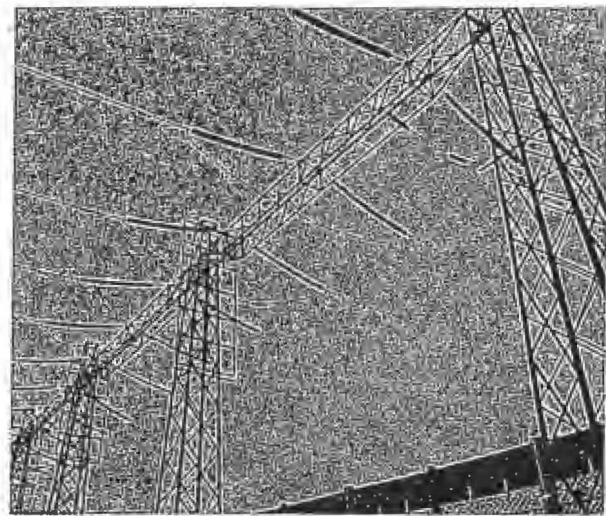


Figure 8. Soviet technicians are helping to extend Libya's power grid. [redacted]

prefers Western technology and expertise—trade statistics show that over 80 percent of Libya's nonmilitary trade was with the West last year—but it sometimes turns to the Soviet Union because of political considerations or the unwillingness of Western countries to provide these items. [redacted]

Warsaw Pact technical assistance is a significant item in Libya's nonmilitary trade. The Libyan press indicates that about 5,000 Soviets and 50,000 East Europeans work in various nonmilitary occupations in Libya—more than 14 percent of Libya's foreign labor force. We estimate this presence costs Libya over \$500 million per year. The Soviets have been involved in several large Libyan development projects, highlighted by a nuclear research facility at Tajura'. They built and are now extending a gas pipeline from Misratah to Marsa al Burayqah are building a fertilizer plant and chemical complex, and are installing new power lines. East European workers play an important role in road and housing construction, the oil and gas industry, and agriculture. [redacted]

**Nuclear Cooperation.** The nuclear relationship is one of the most erratic aspects of Libyan-Soviet cooperation. The Soviets completed a nuclear research center

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at Tajura' in 1984 and are negotiating a contract to build two power reactors at Surt.

hard bargaining over the price of future nuclear projects have generated much acrimony between the partners.

We believe that the Libyans anticipated that the Tajura' nuclear research center would allow them to develop a core of technically qualified personnel necessary to support a wide range of nuclear activities.

We believe Qadhafi eventually will accept Soviet conditions for manning the research reactor and any new power reactors. He still wants the prestige of nuclear facilities and has little prospect of finding another nuclear patron. Libya does not have the facilities or the indigenous expertise to develop major nuclear projects on its own by procuring material and assistance piecemeal on the international nuclear gray market. We believe that neither Libya nor the USSR will allow the nuclear problem to endanger their overall relationship.

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#### Qadhafi's Misgivings

In our view, Qadhafi has strong misgivings about too close a relationship with Moscow. We believe Qadhafi's desire to protect his independence of action is second only to his desire to assure the survival of his regime. Generally distrustful of the superpowers, he probably fears that the USSR will try to manipulate Libyan foreign policy for its own ends. Beyond this, he

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almost certainly is eager to avoid being considered a Soviet puppet. He also probably fears, as a worst case, that the Soviets may back a coup attempt by a Libyan figure more willing to serve Moscow. This worry almost certainly was reinforced by the support the Soviets provided South Yemeni rebels in the coup there this year [redacted]

We judge that Qadhafi has a deep-seated prejudice against foreign bases on Libyan soil. He moved quickly to expel US and British military units from Libya after the coup in 1969 that brought him to power. In our judgment, a fear that there may be no end to Soviet demands for access has been a factor inhibiting Qadhafi from signing a Friendship and Cooperation Treaty with the USSR, even though he favors such a treaty on the whole [redacted]

These misgivings have always been overcome by Qadhafi's pragmatism regarding the potential benefits of cooperation with Moscow. They have, however, affected the pace of development of Libyan-Soviet ties over the years. They also have prompted Qadhafi to put a high priority on finding Western arms suppliers to avoid total dependence on Soviet equipment [redacted]

#### Outlook

##### **Qadhafi Wants More and Is Ready To Pay**

Qadhafi's increased fear of the United States probably is prompting him to press for even closer involvement with the USSR. He almost certainly perceives Moscow as the party most able to deter increased US pressure on Libya, even though he probably accepts that the USSR is unlikely to go to war on Libya's behalf [redacted]

Qadhafi probably is pleased with the Kremlin's public statements of support for Libya in its conflict with the United States. Qadhafi may view as a milestone the Kremlin's public linkage—enunciated after the 15 April raids—of progress in US-Soviet relations and US actions against Libya. Qadhafi almost certainly will try to elicit additional and stronger statements along these lines, hoping that Washington will decide that battering Tripoli is not worth, for example, jeopardizing the arms talks. He also may perceive

that the more explicit the Soviets' rhetoric about their backing of Libya, the more the Kremlin is obliged to support Tripoli in crises to prevent the USSR from being labeled a fair-weather friend. A Libyan-Soviet Friendship and Cooperation Treaty would suit this strategy very well, from Tripoli's point of view. [redacted]

3.5(c)  
3.5(c)

In our view, Tripoli also is seeking Soviet help in upgrading its defenses with a new sense of urgency.

3.3(b)(1)

[redacted] the Soviets recently delivered computer vans and data link communications antennas that are part of an air defense command and control system that is intended to centralize control of Libya's surface-to-air missiles, interceptors, radar, and electronic warfare sites. The Libyans probably want immediate installation of this system by Soviet technicians, paralleling the rapid construction of Libya's SA-5 sites earlier this year. They may even ask the Soviets to man these and other systems until Libyan personnel can be trained.

3.5(c)

[redacted] The clashes with the United States also pointed up deeper weaknesses in the Libyan military that Tripoli probably will seek Soviet help in addressing. We anticipate the Libyans will ask the Soviets to help them build a program for night intercept training—the US raids in March and April 1986 occurred after dark. [redacted]

3.3(b)(1)  
3.5(c)  
3.5(c)


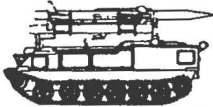


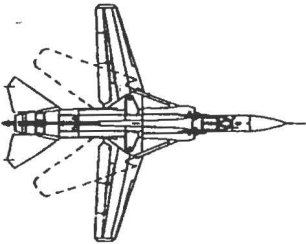
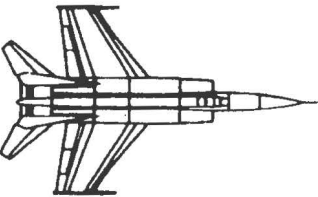
[redacted] Tripoli may seek Soviet aid in developing the skills to fire ship-to-ship missiles at maximum range over the horizon. [redacted]

3.3(b)(1)

3.3(b)(1)  
3.5(c)  
3.5(c)

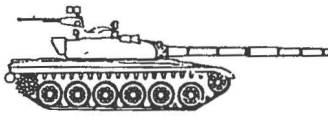





We anticipate that Qadhafi will invite the Soviets to increase their use of Libyan ports and airfields. We believe that Qadhafi drew from the US strikes several important lessons about the impact of the Soviet

**Figure 10**  
**Selected Soviet Weapons Systems in Libyan Inventory**

Air Defense Systems	Description	Introduced in Soviet Forces/ in Libya
SA-5 	Long-range (240-275 km) high-altitude SAM. Primary Soviet strategic defense against US bombers.	1966/1985
SA-6 	Mobile, low-to-medium altitude, medium range (24 km) SAM with improved ECCM.	1970/1977
SA-8 	Mobile, low-altitude, short-range (12 km) SAM. Used by ground forces and for point defense.	1974/1982
SA-13 	Low-altitude, short-range (7 km) SAM. Tracked and possibly improved version of older wheeled SA-9.	1977/1985
MIG-23 Flogger 	Tactical fighter. Libyans have latest version (MLD), best in Soviet operational inventory.	1978/1984
MIG-25 Foxbat 	High-altitude interceptor and reconnaissance aircraft.	1970/1978

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Figure 10 (Continued)

Ground Forces Systems	Description	Introduced in Soviet Forces/ in Libya
<b>T-72 M</b> 	This tank has improved fire control with laser rangefinders. Libya does not have the version with improved armor, the T-72 M1, which has gone to Syria and India.	1980-81/1984
<b>SS-1 Scud B</b> 	Single stage 300 km range surface-to-surface missile widely deployed in the Middle East.	1961/1976
<b>MI-25 Hind</b> 	The Soviets' only operational attack helicopter.	1972/1979
<b>Naval Systems</b>		
<b>SSC-3</b> 	Antiship cruise missile on mobile launcher for coastal defense with a range of 80 km.	1979/1983
<b>F-Class Submarine</b> 	Diesel powered, attack submarine. Already exported to several countries outside the Warsaw Pact.	1958/1976
<b>Nanuchka II</b> 	Patrol boat equipped with 4 SS-N-2 cruise missiles for antiship warfare.	1969/1981

**Prospects for Increased Soviet Access to Libyan Facilities**

Trying to buy at least the appearance of Soviet protection, Qadhafi probably is prepared to allow Moscow increased access to Libyan ports and airfields, at least doubling the current rate of 10 ship visits and four to five aircraft deployments to Libya per year. He would offer more if he were desperate. Three types of increased access are possible: increased Soviet deployments to Libya, the stationing of Soviet units at Libyan facilities, and the turnover of a facility to the Soviets to use as their own base. The prospects for these are addressed in decreasing order of likelihood:

- Soviet stationing. If Qadhafi's fears of US or Israeli military action increase, we anticipate that he will invite the Soviets to station aircraft and ships in Libya.

3.3(b)(1)

[redacted] Soviet ships and submarines could rely on Libyan ports instead of on some of the offshore anchorages where they currently rest and replenish.

- Soviet deployments. Libya already allows Soviet ships and aircraft into Libyan ports and airfields. Such deployments are likely to increase as the visits become more routine and as Tripoli reaps the benefits of joint training, technical assistance

[redacted]

The pace of visits so far in 1986 has been even higher, at least partly at Tripoli's request, because of US-Libyan tensions.

- A Soviet base. We believe Qadhafi will drop his long-held opposition to foreign bases in Libya only if he believes that to do otherwise would risk the destruction of his regime. Even at that, he probably would renege on the deal at the first opportunity. Nevertheless, he will continue to threaten to give the USSR bases in hopes of deterring NATO nations from allowing the United States to strike Libya from bases in Western Europe.

3.3(b)(1)

3.3(b)(1)  
3.5(c)

presence in Libya on US tactical planning. He was almost certainly impressed by several factors:

- US press reports that, in March, Washington directed its forces to attack only the SA-5 radars to avoid casualties among Soviet advisers believed to be in other parts of the SA-5 complex.
- US aircraft attacked Tripoli International Airport in April rather than the nearby Umm Aitqah airbase. [redacted] had dozens of MIG-25s and other military aircraft. Qadhafi probably believes that Umm Aitqah was a more worthwhile target, but he may conclude it was left untouched because of the presence there of three Soviet Navy aircraft.

[redacted]  
It seems likely that, taken together, these factors will convince Qadhafi that Libya would derive increased protection from a larger Soviet presence, even without a Soviet commitment to Libya's defense. [redacted]

3.3(b)(1)

3.3(b)(1)  
3.5(c)(1)



Finally, Libya probably will try to increase its economic ties to the USSR and its allies to reduce the impact of Western sanctions. Tripoli is likely to build on the Economic and Technical Cooperation Agreement—signed with Moscow in October 1985 and expanded last May—to try to compensate for the withdrawal of US technicians and parts from Libya and as a hedge against increased West European support for the sanctions [redacted]

Even if Moscow is not generous in meeting Libyan requests for a closer relationship, we anticipate that Qadhafi will work to preserve at least the current level of ties for the foreseeable future. Much of Qadhafi's foreign policy is based on posturing, rhetoric, and threats of subversion. What gives it substance is his military arsenal and his money. He almost certainly will seek to avoid a permanent breach with the USSR—Libya's most important source of military supplies, maintenance, and training—since that would jeopardize his foreign policy. In addition, with Libya's isolation from Western arms producers increasing, Tripoli has only Moscow to turn to for sophisticated weaponry, such as more advanced fighter aircraft and air defense missiles. [redacted]

Notwithstanding the urgency Qadhafi almost certainly feels for increased help from the Soviets, we anticipate he will bargain hard to get all he can from Moscow as cheaply as possible. This approach almost certainly will continue to generate acrimony between the partners. As in the past, Qadhafi is likely to tell Moscow that:

- It would show bad faith to take advantage of Libya's vulnerability to the United States to insist on tough terms for new contracts.
- Increased access to Libyan facilities is worth great Soviet concessions.
- The success of the US strikes on Libya shows that the defense equipment and training Moscow has provided thus far are second rate and fall well short of Libya's defense needs. Implicit would be a threat to publicize the shortcomings of Soviet military support. [redacted]

At the same time, however, we believe that Qadhafi is ready to pay more than ever to elicit increased support from Moscow. Depending on how generous Moscow is, Qadhafi would consider:

- Inviting Soviet ships and aircraft to establish a year-round presence in some of Libya's facilities.

- Temporarily deferring to Soviet interests in the formulation of some of his foreign policies. (For example, Qadhafi might suspend major arms shipments to Iran, ease anti-Mubarak propaganda, or avoid adventures like the Red Sea mining of 1984).

- Being more scrupulous in making payments to Moscow on time and being more flexible on the price of barter oil. [redacted]

#### After Qadhafi

There is a strong possibility that Qadhafi will be overthrown in the next two years. Likely successors vary, depending on the timing and nature of the transition of power, but we believe that most of the credible candidates would continue Qadhafi's pro-Soviet course. A military regime, in particular, would be most likely to maintain close ties to Moscow, since it almost certainly would put a high priority on maintenance of Libya's Soviet-built armed forces.

#### Implications for the United States

In the current Libyan-US confrontation, Soviet advisers and technicians are providing meaningful support that has reduced the impact of the US air raids of March and April. [redacted]

[redacted] nearly all of the Libyan missile sites that were damaged in the raids had been repaired by late May. There is no indication that Soviets participated directly in opposing the US strikes. [redacted]



Moscow's support provides Qadhafi the military strength he needs to increase tensions in the Middle East and to threaten US interests elsewhere in the Third World. Qadhafi has, for example, drawn on his arsenal to send arms to Iran, Syria, various factions in Lebanon, and anti-US regimes as far afield as Nicaragua. We believe that Qadhafi would open his stockpiles to embattled Arabs in the event of a new Arab-Israeli war. Significant logistic obstacles, however, would prevent deployment of most equipment—other than aircraft—to the battle areas in quantities sufficient to have a significant impact on the course of an Arab-Israeli war [redacted]

3.3(b)(1)  
3.5(c)

3.5(c)

Tripoli almost certainly accepts that the USSR will not intervene in Libyan-US combat with its own forces but probably hopes that, in the future, Soviet technicians and advisers will provide direct, albeit discreet, support. This could include such activity as Soviet help for Libyan air controllers in identifying and setting priorities for targets for interception, preparation of equipment to be used in combat, or operation of the new air defense computer equipment that [redacted] arrived in Libya in recent months. Such support could significantly increase Libyan air defenses against US aircraft.

3.3(b)(1)

3.3(b)(1)  
3.5(c)

Soviet support for Tripoli also threatens US interests less directly by enabling Libya's military to cause trouble for such US friends as Tunisia, Egypt, Sudan, and Chad. Washington dispatched US forces to the region in 1984 after Tripoli used a Soviet-built bomber against Omdurman, Sudan, and again after it laid Soviet-made mines in the Red Sea. Additionally, Soviet access to Libya's airfields helps Moscow monitor the US Sixth Fleet [redacted]

3.5(c)

~~Top Secret~~

~~Top Secret~~

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SELECTED STATEMENTS

James H. Webb, Assistant Secretary  
of Defense for Reserve Affairs  
(National Guard training in Central America, CONTD)

*File: LeMay*  
Statement before the Senate  
subcommittee on Manpower  
and Personnel 15 July 1986

readily apparent, the structure is legally complex, but the result has been a resounding success that is uniquely American. The National Guard has provided the states with well-trained and readily available forces for use during civil disorders and natural disasters. It also has provided the United States with two Reserve components that figure prominently in our national defense and account for more than one-half our total Selected Reserve manpower.

The problems which we discuss today are, in my view, primarily technical in nature. They can be resolved. The Congress has gone to great lengths in the law to ensure that members of the National Guard who are serving in state status receive full credit and protection as though they were serving in federal status. This shows we can deal with this complexity to protect the member, to preserve the prerogatives of the states and to make certain all training requirements of the Army National Guard and the Air National Guard are fully met. Thus, it is all the more critical that a successful resolution to the matter under discussion be achieved without delay.

While we refer with great and justifiable pride to the development of the National Guard during the past 350 years, from the Old North Regiment of the colonial militia in 1636 to today's modern army and air units, we also know that the success of this development has been dependent on accommodations to changing realities and the role of the United States as a leader of the Free World.

In 1776, George Washington warned the Congress that "[t]o place any dependence upon the Militia, is, assuredly, resting on a broken staff." We have come a long way in 210 years. Some of these developments during these years were made in response to hard experience, others were the result of foresight.

We do not believe that legislative changes of the form under discussion would significantly revise the actual practice of training the National Guard units as it has evolved over the last 35 years. It would, however, remove an important anomaly in current law and eliminate an improper forum for the debate of foreign policy at the expense of those who train, and who will fight, to defend it.

FOREIGN POLICY  
(LIBYA)

John F. Lehman  
Secretary of the Navy  
(Why Air Force aircraft were called  
from England)

Interview on "Crossfire" CNN-TV  
7 August 1986

BRADEN: You didn't answer the question. Why was it necessary -- was it necessary to call on the Air Force in England?

SECRETARY LEHMAN: We could have done the strike if the rules were shifted somewhat to do repeated attacks. We could have done it if we had a little less stringency on collateral damage, because we have about 45 bombers on every carrier. So that's about 90 bomber-capable aircraft that were there on those carriers. But they're a combination of day strike fighters that can go in at night, but they don't have the same precision at night. And if you wanted to have the stringent rules of maximum damage, lots of targets, no collateral damage, no U.S. casualties, then it made all the sense in the world to have a joint Air Force-Navy operation.

The Navy could have done it alone. But given all of the circumstances, the right decision was to use the Air Force. It was done superbly, flawlessly, integrating Air Force and Navy like that.



President Ronald Reagan  
(Sanctions against Libya)

Message to Congress  
30 July 1986

1. On January 7, 1986, in Executive Order No. 12543, I declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States posed by the policies and actions of the Government of Libya. In that order, I prohibited, with effect from February 1, 1986: (1) the import into the United States of any goods or services of Libyan origin, except publications and materials imported for news publications or news broadcast dissemination; (2) 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 certain articles intended to relieve human suffering; (3) transactions by U.S. persons relating to transportation to or from Libya; transportation to or from the United States by any Libyan person or Libyan-registered vessel or aircraft; or the sale in the United States by U.S. or foreign air carriers of transportation by air that includes any stop in Libya; (4) the purchase by U.S. persons of goods for export from Libya to any country; and (5) the performance by U.S. persons of any contract in support of an industrial or other commercial or governmental project in Libya. I further prohibited, with immediate effect: (6) the grant or extension of credits or loans by U.S. persons to the Government of Libya (including government-controlled entities); (7) transactions by U.S. persons relating to travel by U.S. citizens or permanent resident aliens to Libya, or activities within Libya, other than for the purpose of: (a) effecting such persons' departure from Libya, (b) performing acts listed in items (1) through (5) above prior to February 1, 1986, or (c) travel for journalistic activity by professional journalists. The prohibitions ordered on January 7, 1986, were in addition to existing prohibitions on the importation of Libyan crude oil and refined petroleum products imposed in Proclamation 4907 of March 10, 1982, and retained in Proclamation 5141 of December 22, 1983, and Executive Order No. 12538 of November 15, 1985, as well as existing export controls set forth in the Export Administration Regulations, 15 C.F.R. Part 368 *et seq.*, issued pursuant to the Export Administration Act of 1979, as amended.

2. On January 8, 1986, in Executive Order No. 12544, I augmented the transactional prohibitions contained in Executive Order No. 12543 and ordered the immediate blocking of all property and interests in property of the Government of Libya (including the Central Bank of Libya and

other government controlled entities) then or thereafter located in the United States, or then or thereafter coming within the possession or control of U.S. persons, including their overseas branches.

3. The actions were taken and the declaration of national emergency made pursuant to the authority vested in me as President by the Constitution and laws of the United States, 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 (22 U.S.C. 2349aa-8 and 9), 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 submitted reports concerning my exercise of these authorities and transmitted copies of my Executive Orders to the Congress on January 7 and January 9, 1986, pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b); section 505 of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c); and section 301 of the National Emergencies Act, 50 U.S.C. 1631. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

4. The Office of Foreign Assets Control of the Department of the Treasury, after consultation with the Secretary of State and other Federal agencies, issued the Libyan Sanctions Regulations, 31 C.F.R. Part 550, implementing the prohibitions in Executive Order No. 12543 on January 8, 1986 (51 Fed. Reg. 1354 (January 10, 1986)). Regulations implementing Executive Order No. 12544 and amending the Libyan Sanctions Regulations were issued by the Office of Foreign Assets Control on January 14, 1986 (51 Fed. Reg. 2462 (January 16, 1986)).

5. Further amendments to the Libyan Sanctions Regulations have been issued, as follows: (a) To avoid disruption to family units, a general license permitting dependents of Libyan nationals who are U.S. citizens or permanent resident aliens to travel to, from, and within Libya, and to incur normal living expenses within Libya, was

CONTINUED NEXT PAGE

President Ronald Reagan  
(Sanctions against Libya, CONTINUED)

Message to Congress  
30 July 1986

issued by the Office of Foreign Assets Control on May 28, 1986, effective January 7, 1986 (51 Fed. Reg. 19751 (June 2, 1986)). (b) A prohibition against exports from the United States of goods and technology that the exporter knows or has reason to know are intended specifically for the manufacture of products in third countries to be used in the Libyan petroleum or petrochemical industry was issued by the Office of Foreign Assets Control on June 16, 1986, effective July 7, 1986 (51 Fed. Reg. 22802 (June 23, 1986)). (c) A regulation requiring U.S. persons with controlled foreign affiliates to report by August 15, 1986, on their affiliates' Libyan transactions was issued by the Office of Foreign Assets Control on July 11, 1986, to enable that office to monitor compliance with the regulations' prohibitions against U.S. persons transferring Libyan business to offshore entities (51 Fed. Reg. 25634 (July 15, 1986)).

6. On January 14, the Office of Export Administration within the Department of Commerce issued a General Order, effective February 1, 1986, revoking all authorizations contained in individual and special validated licenses for direct or indirect export from the United States to Libya if such export is prohibited by the Libyan Sanctions Regulations (51 Fed. Reg. 2353 (January 16, 1986)). The General Order also prevented possible dual licensing procedures for shipments from the United States to Libya by permitting a license issued by the Treasury Department to serve as authorization under the Export Administration Regulations for export from the United States. The Department of Transportation issued Order 86-2-23 on January 30, 1986, which prohibits U.S. and foreign air carriers from selling in the United States any transportation by air that includes a stop in Libya, and engaging in any transaction in the United States relating to transportation to or from Libya. The Order also prohibited U.S. air carriers from engaging in transactions anywhere in the world that relate to transportation services to Libya. The Order was served on all U.S. and foreign air carriers.

7. With this report, I am enclosing a copy of the Treasury Department's Libyan Sanctions Regulations, with amendments to date, the Commerce Department's General Order, and the Transportation Depart-

ment's Order, as discussed above.

8. In the exercise of its licensing authority under the Libyan Sanctions Regulations, the Office of Foreign Assets Control issued specific licenses to five U.S. oil companies and 13 service companies, authorizing them to complete the winding down of their Libyan operations after the effective dates of the prohibitions in Executive Order No. 12543. In all cases, the specific licenses were issued to foster the orderly withdrawal of these companies from Libya in an attempt to avoid substantial economic windfalls to the Government of Libya through the outright forfeiture of U.S. assets located in Libya. Each specific license authorizing an extension of Libyan operations expired on or before June 30, 1986. Additional specific licenses have been issued on a one-time basis to authorize routine banking transactions commenced prior to the issuance of Executive Order No. 12543.

9. The expenses incurred by the Federal government in the 6-month period from January through June 1986 that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at \$1,264,562, of which approximately \$1,109,979 represents wage and salary costs for Federal personnel, and approximately \$154,583 represents out-of-pocket expenses for travel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

10. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c). \



# CURRENT NEWS SPECIAL EDITION



## SELECTED STATEMENTS

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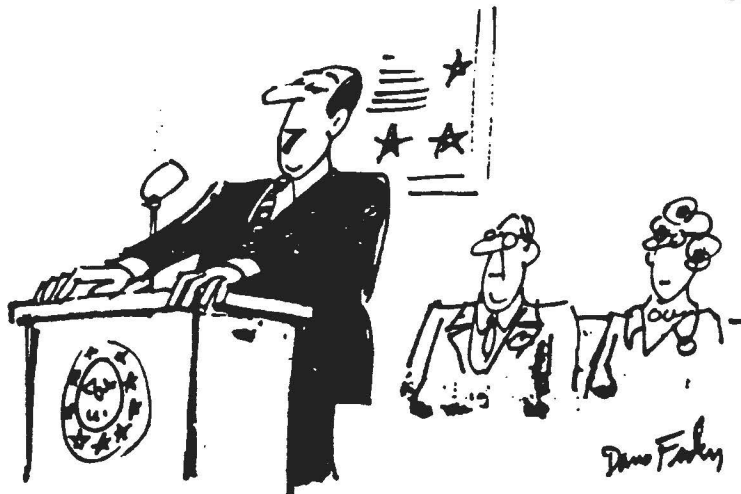
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COMMENT \_\_\_\_\_

### Table of Contents

Index.....	1
I. Military Posture & Strategy.....	1
A. NATO.....	2
B. Naval Strategy.....	4
C. Organization & Manpower.....	9
D. Strategic Defense Initiative.....	12
II. Arms Control.....	19
III. Procurement.....	22
IV. Military Budget.....	24
V. Foreign Policy	
A. Central America.....	30
B. Libya.....	35
C. Pacific.....	38
D. South Africa.....	42
E. USSR.....	43

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"I should now like to say something quotable."

Editor: Frances Wright Norton

Harry Zubkoff, Chief, News Clipping & Analysis Service (SAF/AA), 695-2884