

**DIRECTOR OF CENTRAL INTELLIGENCE
TO
OFFICIAL INDICATED BELOW**

9/13

- Bill Baker
- Russ Bruemmer
- Danny Childs
- Peggy Devine
- Bill Donnelly
- Fritz Ermarth
- Bob Gates
- Debbie Geer
- Ed Heinz
- John Helgerson
- Evan Hineman
- John Hotis
- Rae Huffstutler
- Fred Hutchinson
- Dick Kerr
- Larry Kindsvater
- Mark Matthews
- Nancy McGregor
- Larry Sandall
- Dick Stolz
- Jim Taylor

Why is state
bringing in
terrorism?

Looks to me
like policy issues
are raised throughout
the briefing. R.G.

9/22/88

- See me
- Note and return
- For your recommendation
- Prepare reply and return for my signature
- Respond over your signature
- What are the facts?
- Please handle
- Hold

Remarks: _____

EXECUTIVE SECRETARIAT
ROUTING SLIP

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3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
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11	IG				
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Executive Secretary
2 Sept '88
Date

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SUSPENSE _____

Date

Remarks

STAT

ER 88-3425X

Executive Secretary

2 Sept '88

Date

3637 (10-81)

31 Aug

THE WHITE HOUSE
WASHINGTON

JUDGE WEBSTER, DCI

Bill,

Per conversation.

Colin



United States Department of State

Washington, D.C. 20520

6305

August 30, 1988

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MEMORANDUM FOR COLIN L. POWELL
THE WHITE HOUSE

SUBJECT: Briefing for the Presidential Candidates on
Counter-Terrorism

Attached are some materials on current counter-terrorism issues to be used in briefing the Presidential candidates. The items on hostages and Greece are particularly time sensitive.

Melvyn Levitsky
Melvyn Levitsky
Executive Secretary

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DECL: OADR

SECRET -- ENTIRE TEXT.

U.S. COUNTER-TERRORISM POLICY

Key elements in U.S. Counter-terrorism (CT) policy

A. Definitions of terrorism:

1. Terrorism is premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine state agents, usually intended to influence and audience.
2. International Terrorism is terrorism involving citizens or territory of more than one country.

B. 3 Pillars of CT policy:

1. no concessions to terrorists
2. stop state sponsorship of terrorism
3. practical measures to stop terrorists (e.g. watch lists, international cooperation among law enforcement agencies, etc.)

C. Key Judgements:

1. terrorism is a global phenomenon
2. need consistency sustained over a long time, stamina, and endurance;
-- no concessions in incidents is critical;
-- what happens between incidents counts as much as how a crisis is managed
3. an effective counterterrorism is more than....
-- incident response;
-- hostage policy
4. rule of law: our principle defense and how we apply it
5. international cooperation: vital because terrorists are overseas and U.S. interests are targetted
6. practical measures are very important, both done unilaterally and in cooperation with others, e.g. extradition, sharing watch lists, cooperation through Trevi, bilateral cooperation
7. state support of terrorism: our most vulnerable front

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Drafted: S/CT - TJMiller ^{TJM}
Approved: S/CT - LPBrener, III

SECRET**FACT SHEET - STATE SPONSORSHIP OF TERRORISM**

Objective: To break the symbiotic relationship which exists between terrorist groups and those states which support them, either directly or indirectly.

Libya:

- Qadhafi has a long record of support for terrorism undertaken by both Libyan agents and surrogate groups.
- Prior to our April 15, 1986, bombing, the USG tried for years to get our European allies to join us with a series of economic and political sanctions, but without much success.
- The bombing succeeded on two fronts:
 - (1) it convinced our European allies that we were serious and got them to join in our counter-terrorism efforts; and
 - (2) it frightened Qadhafi enough to drive his terrorist operations underground for about eight months.
- But over the past year, he has moved to hide his hand by using surrogates. We suspect a Libyan hand in at least a dozen recent terrorist acts, and although the Libyans have become adapt at hiding their involvement in terrorist acts, we will continue to seek evidence of such involvement.
- The Libyan regime continues to play host to the most notorious terrorist group, the Abu Nidal Organization. The ANO's headquarters is currently located in Tripoli.
- In order to blunt the current Libyan charm offensive and to help stop erosion in European support for Libya's sanctions, it is important that Libya understand that a change in administration will not change our policy on Libyan support of terrorism.

Iran:

- Iran has been involved in numerous terrorist acts since Khomeini came to power in 1979.
- Iran gives direction in support of groups holding our hostages in Lebanon.
- There are indications of recent Iranian involvement in terrorism (e.g. KU-422) and attempts to use terrorism to destabilize moderate Arab regimes.
- USG has indicated that progress in U.S.-Iranian relations depends on: (a) an end to the Iran-Iraq war; (b) an end to Iranian subversion and interference in the internal affairs of its neighbors; (c) a clear end to Iranian state-sponsored terrorism including hostage holding.

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- It is important now that we send clear signals to Iran so there will be no misunderstanding in Tehran or among our friends and allies that we are firm in our resolve not to deal on hostages. We should set aside for the time being Iran's call for a show of U.S. "goodwill" and keep the focus on Iranian performance.
- Iranian acceptance of U.N. Security Council Resoultion 598 represents a dramatic change in Iranian policy. However, there is no evidence of a change in Iranian policy on terrorism and hostages to date.
- We have gone on record as supporting the concept of holding discussions with an authoritative Iranian official on these and other subjects. To date, the Iranians have shown no serious interest in direct discussions.
- Further initiatives from us are unnecessary and counterproductive, and would only complicate matters.

Syria!

- In 1986, courts in London and Berlin found Syrian complicity in terrorist activities/attacks in those cities.
- U.S. joined with U.K. and other countries in launching a series of economic sanctions to pressure Syria to change its terrorism policy and to expel Abu Nidal from Damascus; pressure worked, as ANO was expelled in June of 1987 and Syrians have apparently not been directly involved in the sort of international terrorism that led to the withdrawal of Ambassador Eagleton and the imposition of sanctions.
- Since then, we have unsuccessfully sought to get Syria to close down ANO camps in the Bekka's Valley (lebanon) and expel other terrorists from Syrian territory or Syrian-controlled areas in Lebanon. Some of these groups include, the Japanese Red Army, the anti-Turkish Kurdish Worker's Party (PKK), and the Palestinian Front for the Liberation of Palestine (PFLP).
- We have no immediate plans to lift any of the remaining sanctions or to remove Syria from the list of state sponsors of terrorism. (FYI: attached is the list of approved Presidential sanctions against Syria).

Democratic People's Republic of Korea:

- Direct DPRK involvement in the downing of KAL858 last November (resulting in the loss of 115 lives) was but the latest in a sporadic series of DPRK terrorist activities outside the Korean Peninsula.
- DPRK intent was to destabilize ROK and disrupt Seoul Olympics.

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- Despite recent slight warming in North-South Korea relations, the potential for DPRK-directed terrorism before and during the Olympics remains high.
- Through the Chinese and Soviets, we have pressured the DPRK to refrain from terrorism during the Olympics.
- We have linked any future relaxation of sanctions to cessation of DPRK terrorist activities.
- ROK President Roh on July 7 announced a new policy intended to pull the DPRK out of its isolation. The Roh initiative involves positive incentives to the DPRK to refrain from terrorism.

South Yemen:

- Still allows terrorists sanctuary, although S.Y. had cancelled in 1985/86 its policy of providing Palestinians with S.Y. passports.

Cuba:

- Continues to support terrorist movements throughout Latin America.

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LIST OF SANCTIONS AND THEIR CURRENT STATUS
(AS OF 27 JULY 1988)

On November 14, 1986, the White House announced the U.S. would take the following measures (usually referred to as "sanctions") in response to Syria's evident support for international terrorism:

- the expansion of export controls on any items controlled for national security purposes, including related technical data, along with all aircraft, helicopters, and related parts and components (still in effect);
- the termination of the availability of Exim Bank programs for Syria (still in effect);
- the notification to Syria of the U.S. decision to terminate the 1947 bilateral air transport agreement (the agreement called for a one-year period between notification and abrogation) simultaneous with the immediate suspension of the agreement's operation (the agreement terminated on November 14, 1987);
- the prohibition of the sale of Syrian Arab Airline tickets in the U.S. (still in effect);
- the request to U.S. oil companies to cease their continued involvement in Syrian oil operations as inappropriate (this restriction was lifted in September 1987);
- the institution of a mandatory security advisory opinion requirement for all Syrian visa applicants over 16 years of age (lifted in February 1988);
- the issuance of a travel advisory alerting Americans to the potential for terrorist activity originating in Syria (still in effect);
- the institution of a ban on high-level visits between the U.S. and Syria (the President waived this for General Walters' June 1987 visit; the Secretary waived it in October 1987 and February 1988 for visits by Assistant Secretary Murphy; Foreign Minister Shara' visited Washington as part of an Arab League delegation in March 1988; Secretary Shultz paid four visits to Damascus in March, April, and May 1988); and
- the reduction of U.S. staffing levels at our embassy in Damascus (there have been some minor additions since, though there are no plans presently to return staffing to its previous level).

On the same date, the Department of Agriculture cancelled Syrian eligibility to purchase wheat under the Export Enhancement Program (still in effect).

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U.S. HOSTAGES AND US POLICY

I. BACKGROUND

--The nine American hostages being held in Lebanon today are in the hands of Lebanese Muslim Shia extremists over whom Iran exerts substantial influence and perhaps control in some cases. Although several organizations have claimed responsibility for the kidnapping of our citizens, we believe that they are being held by various groups within Hizballah, or the Party of God, an organization which emerged as a result of the deteriorating political and social conditions of the Shia community following thirteen years of civil war.

--The exact whereabouts of all the U.S. hostages is unknown. We believe that most are being held somewhere in the inner neighborhoods of Beirut's southern suburbs, while others may be held in southern Lebanon.

--Demands for the release of the U.S. hostages have fluctuated according to the prevalent political climate. Among the most consistent demands by one of the hostage holding groups, has been the demand for the release of convicted 17 terrorists (better known as the Dawa' prisoners) currently serving jail terms in Kuwait. Other statements have called for the withdrawal of Israeli troops from Lebanon and the release of Israeli-held prisoners. Last Spring's hijacking of the KU-422 was directly related to the captor's demands for the release of the Dawa' prisoners

--Iranian spokesmen have repeatedly offered to use Iran's "influence" with the hostage holders in return for the US releasing Iranian assets, removing the fleet from the Gulf, etc. We have rejected any such linkage.

II. U.S. POLICY

--To this end, we follow up all promising leads, and have long sought to engage the efforts of other governments and other sincere parties to provide assistance without any strings attached. Neither the hostage holders, nor their Iranian patrons, have so far responded to our efforts.

III. THE FUTURE

--It is important that the Iranians and Hizballah understand that our policy is bipartisan. They should not expect concessions from a new administration. If they do, it will only prolong the hostages' imprisonment.

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--The captors and their patrons may opt to keep at least one hostage to ensure continuing leverage vis-a-vis the U.S, Syria, Amal. The outcome of any negotiated settlement of the hostages' ordeal will likely require a convergence of interests of both Iran and several key Hizballah leaders. The Hamadei and the Mughniyah clans, who held many of the hostages, also have specific interests which may not be the same as those of Iran (i.e. release of specific terrorists).

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FACT SHEET -- ON-GOING TERRORIST ISSUES IN GREECE

A. BACKGROUND

o Greek commitment in the past to combat terrorism has not been strong enough. This is due in part to the current governing party's ideology, but also due to Greece's important and traditional ties to the Middle East, the porosity of its borders, and a reluctance to employ effective police measures which arises from an aversion to the police state measures imposed by the Junta 1967-74.

o As a result, police procedures and counter-terrorism operations are well below the standard seen in other Western countries.

o The current Greek Government (GOG), influenced by its ideology, also has taken unhelpful political positions on international terrorism, for example, refusing to join all other EC nations in condemning by name states promoting terrorism.

o As a result, until this Summer US-Greek terrorism cooperation has been quite limited.

B. CURRENT SITUATION

o The assassination of US Defense Attache Nordeen and the assault on the "City of Poros" in the past few months appear to have genuinely shocked the GOG. Fearing for Greece's lucrative tourism trade, facing strong domestic political attacks, and the subject of international pressure (particularly from the US), Papandreou has shown a new willingness to cooperate. However, the GOG has yet to carry out any of the concrete actions we have requested (e.g. establishment of a special force to deal with November 17 terrorist group, sharing investigation material on November 17, etc.)

o This cooperation so far has been tentative, and we cannot estimate how long it will continue. A key goal of our policy is to keep Greece's feet to the fire and institutionalize and expand this recent positive trend.

C. SPECIFIC ISSUES

1. November 17

o This domestic, left-wing terrorist group has been operating since the mid-1970's. It has assassinated three American officials, including CAPT Nordeen in June, conducted at least four other attacks against Americans, and killed a number of Greek businessmen and officials.

o Neither the Papandreou nor any previous Government has succeeded in arresting members of the group, whose attacks are highly professional and very difficult to deter.

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- o In view of the frequent targeting of Americans by this group, we place very high priority on actions to put it out of business
- o We are cooperating with the Greek Government on the Nordeen investigation, but this cooperation must be expanded.

2. Rashid Extradition

- o In May, Greek authorities, acting on a US tip, arrested Mohammed Rashid, a Palestinian terrorist wanted for the bombing of a PAN AM flight in 1982 which killed one passenger.
- o We immediately requested extradition. The GOG assured us that it would begin proceedings, and Prime Minister Papandreou promised that he "wished to act in accordance with (President Reagan's) wishes" to have Rashid extradited to the U.S. Meanwhile, it tried Rashid on a passport violation offense and sentenced him to seven months in prison.
- o Our bilateral extradition treaty gives Greece the choice of responding immediately, or after the subject has served any sentences in Greece. While we would have preferred the first option, the Greeks have selected the second option, by deciding to open extradition hearings, beginning September 5.
- o The GOG may wish to stall on this case, or, as the FRG has done with Hamadi, try Rashid itself for his involvement in the 1986 bombings of a TWA flight over Greece which killed four. We will continue to press the GOG for extradition, and we view its performance on this matter as a litmus test of its willingness to deal seriously with international terrorism.

3. Current Cooperation

- o We have taken advantage of the GOG's concern and shock to try to improve bilateral cooperation at all levels of counter-terrorism, hoping to improve Greece's effectiveness across the board.
- o The GOG has indicated that it will give top priority to bringing November 17 to justice (including establishing a special, elite unit targeting that group), has reassured us of its readiness to cooperate, and has promised to share evidence with us.
- o We, in turn, have promised to look into a program of training, equipment support, and professional advice that should expand our joint efforts, and Greek capabilities, significantly.
- o We cannot judge how long the GOG will continue its new professed willingness to cooperate with us, particularly once the immediate memory of terrorist attacks is past. We also are concerned that the new Minister of Public Order may not have the background or competence to do the job. We hope to make real progress.

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Approved: S/CT - LPBremer, IAI ✓