

To assess our exchanges with Qadhafi and to determine the staffing level of our Embassy and the Consular services to be provided to Americans.

Key Factors

Our Charge in Tripoli returned to his post December 31 with the expectation that he would, shortly thereafter, be received by Qadhafi and that he would personally receive the assurances we were seeking as a basis for returning to a more normal diplomatic relationship. We sent him your message to Qadhafi on January 17 and he informed the Foreign Office that he had such a message. There has been no response from Qadhafi. There have, on the contrary, been some hints that Qadhafi may not intend to carry through with his part of the bargain. We need to decide whether to keep our Embassy at its present minimum size. We need your advice on the disposition of your message to Qadhafi which was intended to be delivered personally to him.

Even if Qadhafi provides a positive response, there is another reason for postponing a decision on the future of our Embassy until some time in March: the possibility that Libyans or Palestinians -- possibly without government approval -- will undertake further actions or demonstrations against the U.S. during this present period of normalization of relations between Israel and Egypt, including an exchange of ambassadors between the two countries in late February. To avoid a repetition of the December 2 attack, I believe that during this period we should keep the mission drawn down to the lowest level possible and undertake no visa issuing or consular activities other than those minimally required to ensure protection of Americans.

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While the exchanges you and Zbig have had from time to time since early December with the Libyan representatives in Washington have produced assurances made on Qadhafi's behalf that he wants better relations and will forestall future assaults on the Embassy, the Libyan behavior pattern in this period remains erratic.

The following list of recent Libyan activity is not exceptional but represents the normal pattern of Libyan external involvement. Qadhafi's soothing words can quickly change to vehement invective and his explosive and changeable nature must be constantly taken into account. The weight of intelligence evidence suggests that Qadhafi himself authorized the attack on our Embassy in order to prove that his government was at least as "revolutionary" as the Iranians. One can never be certain as to when he will again need to prove his revolutionary credentials:

- There is mounting evidence that the commandos who attacked Gafsa, Tunisia on January 27 were trained, financed, and aided by Libya.
- Despite a call for the release of the Tehran hostages, Libya has made it clear that it will give full and complete support to Iran in any confrontation with the U.S.
- On Afghanistan, Qadhafi is concerned and wants us to help Pakistan, but the Libyan delegate was absent for the General Assembly vote on the condemnation of the Soviet aggression. Libyan Foreign Minister Turayki has publicly defended the Russians, saying that "no one can separate the Arab Nation from a real friend and ally represented in the Soviet Union."
- A recent intelligence report indicates that the Libyan Air Force is carefully monitoring U.S. Sixth Fleet activity in the Mediterranean and may plan to challenge U.S. aircraft over international waters--recent radar lock-on incidents tend to confirm this monitoring activity.

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- The Libyan Government has recently pushed Jordan to use any Libyan subsidy under the Baghdad accord to purchase arms only from the USSR.
- Libyan agents in Chad have renewed subversive activities, which may torpedo the Lagos peace accords.
- Libya's insistence on excluding Egypt from the Afro-Arab meeting in Tripoli this month led to the postponement of the meeting.
- Qadhafi is seeking to topple Arafat and set up a new Palestinian organization because he believes Arafat is too moderate.
- In early January the Central African Republic expelled the Libyan Embassy, citing continuing Libyan-Soviet efforts to undermine the security of the country.

Even so, there are still several good reasons, such as our dependence on Libyan oil and our large American community in Libya, for trying to maintain at least a minimal relationship with Tripoli. We are helped by the Libyan fear of an Egyptian attack. However, no fundamental changes in basic Libyan policy or behavior are likely to occur. Qadhafi is a maverick whose penchant for mischief-making is part of his very nature--and that is not likely to change.

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Recommendation:

In that context, I believe that we should keep our Mission at its present minimal level of eight (or lower), provide only minimal consular services to Americans, and reexamine its status in mid-March after the exchange of Egyptian and Israeli ambassadors.

Approve _____ Disapprove _____

With regard to our message to Qadhafi, in the absence of his receiving Charge Eagleton, we recommend it be delivered to the Foreign Minister.

Approve _____ Disapprove _____