MEMORANDUM FOR RECORD

SUBJECT: SIG on Libya, 18 March 1981

Chaired by Under Secretary Stoessel. Bing West and Bob Pelletreau attended for DoD.

The following points were made:

- 1. 🖍 Qadhafi is exporting terrorism and revolution. probably will not be stopped by the set of measures the SIG suggests.
- 2. If The SIG measures are cautious, first steps judged to be below the threshold of serious retaliation by Qadhafi, such as seizing Americans in Libya as hostages or cutting off oil. We can never be sure, though, how he will respond.
- 3. (A) A memorandum to the President (instead of a NSC meeting) will seek his approval for these first steps (listed on next page).
  - 4. ( Planning for more aggressive options should proceed.
- 5. M DOE will take the lead in planning remedial steps if Libya cuts off oil fully or selectively (against the U.S. only).
- 6. ( A U.S. naval exercise is planned in the Gulf of Sidra in April - an area Qadhafi claims as Libyan territorial waters. The President should be alerted that this may trigger a Libyan reaction.
- 7. (2) The memo will state we intend to close the Libyan Peoples' Office in Washington. This will be a strong public signal of disapproval of Qadhafi and will encourage other nations to do the same. We may, later on, suggest to the Libyans that we allow Interest Sections in each other's capital.
- 8. ( Haig will consult with Sadat on measures we are considering When he visits Cairo April 4.
- 9. If The nuclear issue will have to be thought through more thoroughly -- what to do to prevent Qadhafi from acquiring nuclear equipment and technology.

Office of the	Secreta	ry of Defense
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19 -M- 0004 cc: The Special Assistant

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Francis J. West, Jr.

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Date: DEC :0.5 2018

## Proposed 16-Step Basic Action Program

- Close the People's Bureau in Washington to remove this anomaly in our relationship; study whether we should subsequently seek agreement to open reciprocal interests sections.
- Continue US naval and air reconnaissance operations near Libya to assert our navigational rights — conduct an exercise in April that impinges Libyan claimed international waters south of 32° 30°N (preceded by a strong warning against any hostile actions).
- Develop contingency responses for a cutoff of Libyan oil as part of energy security planning.
- Develop a program for deterring Libyan assassination and intimidation campaigns.
- Promote through diplomacy and the sharing of intelligence, an international consensus of key leaders to stimulate activities against Libya.
- Work with other countries to minimize the assistance Libya receives on nuclear matters, especially acquisition of sensitive capabilities.
- Hobilize international public opinion, particularly to isolate Libya politically from other Arab and Islamic countries.
- indicate our strong resolve by assisting those neighbors of Libya which are most vulnerable, including expanded military assistance programs.
- Work with Egypt to develop a program of Egyptian activities against Libya.
- Approach those governments that are helping Libya militarily to request that they cut back or stop their assistance.
- Accompany future air reconnaissance activities with a renewed warning that hostile actions against our aircraft will be met with force.
- Work with US companies involved in Libya and the European countries with citizens there to reduce the size and vulnerability of the expatriate community.
- Hake it clear to Libya that we would welcome improved relations, but only
  if Libya changes its policy of terrorism and interference in the affairs
  of States.
- Through both official channels and foreign and domestic media, enunciate clearly that the US position is against Libyan activities, not the Libyan people.
- Develop contingency plans for the taking of US hostages in Libya.
- Actively seek to focus world attention on Libyan activities through international forums (e.g., UN).



