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10/10/86

Number 27

middle total

RESPONDING TO LIBYA'S TERRORIST WAR

(Updating <u>Backgrounder Update</u> No. 3, "Libya Must Pay a Price For Terrorism," January 9, 1986.)

American policymakers once again are confronted with the specter of an undeclared war of terrorism waged by Libya's Colonel Muammar Qadhafi. The U.S. response must be firm and telling. The next time a Libyan terrorist plot against America is uncovered, the U.S. should target not only Libya's terrorist infrastructure, but also Libya's facilities for exporting the oil that finances its terrorism. In the meantime, Washington should press its European allies to forgo purchases of Libyan oil until Libya ends its anti-Western shadow war.

The April 15 American airstrike against Qadhafi forced a remission of Libyan-supported terrorism. The Libyan terrorist network, exposed by American intelligence, was disrupted by the expulsion of more than 100 Libyan "diplomats" and businessmen from Europe. The Libyans have reorganized their network and apparently have renewed their activities. Tripoli's involvement is suspected in a foiled plan to attack the U.S. embassy in Togo in July, an August mortar attack on a British airbase in Cyprus, and the September 5 hijacking of an American airliner in Karachi, Pakistan.

Ronald Reagan clearly did not expect to end Libyan terrorism in a one-shot quick fix in April. He described the reprisal as "but a single engagement in a long—battle against terrorism" and threatened future reprisals if Qadhafi continued his undeclared terrorist war on the U.S. The April airstrike enhanced deterrence of state terrorism by raising the perceived risks of terrorist activities. Within Libya it shattered Qadhafi's image of invincibility, underscored his vulnerability, and demonstrated his diplomatic isolation. The mercurial Libyan withdrew from the public eye, reportedly incapacitated by a severe bout of depression. The Reagan Administration launched a war of nerves using military exercises and press leaks in an attempt to keep Qadhafi off balance. Ultimately, however, economic pressures and not psychological warfare or military reprisals have the best chance of toppling Qadhafi.

Although American bombers pose a threat that Qadhafi cannot ignore, what he fears most is the wrath of his own people. A growing number of Libyans have been alienated by Qadhafi's increasing repression, economic mismanagement, revolutionary gibberish, and costly military adventurism in Chad. Because of repeated assassination attempts, the Libyan dictator travels in armored convoys and constantly moves his headquarters. He distrusts his own army and has created the Revolutionary Guards, a 50,000 man force of his most zealous followers, to guard against military coups.

Qadhafi's Achilles' heel is the Libyan economy, which depends on oil exports to the industrialized West. Washington should press its western European allies, who together provide more than 80 percent of Libyan oil revenues, to stop subsidizing Libyan terrorism. While Europeans have resisted such economic sanctions in the past, the oil glut should make it easier for them to find ready substitutes for Libyan oil and the growing backlash against terrorism should make it politically easier to forgo trade with Libya. Washington should give European refiners added incentive to boycott Libyan oil by banning imports from refineries that purchase Libyan crude oil.

Washington also should press its European allies to close down the "People's Bureaus" and the offices of Libyan Arab Airlines that have become nerve centers of terrorism. The State Department should warn American tourists of the dangers of visiting any nation that refuses to do so. European states that become conscientious objectors in the war on terrorism should not take American tourists—and American tourist dollars—for granted.

The next time that Qadhafi is caught red-handed sponsoring terrorist attacks against Americans, the U.S. should destroy the oil terminals that sustain Libya's economy and it should block Libyan oil exports, by a naval quarantine, if necessary, until Qadhafi is driven from power. Air attacks should be launched against Libyan terrorist training bases and Revolutionary Guards units, sparing wherever possible regular army units that may contain disaffected army officers bent on ousting their foolhardy leader. The giant stockpiles of Soviet-supplied tanks and warplanes that Libya has amassed in remote desert camps also should be prime targets. This would minimize civilian casualties and impose a multi-billion dollar price tag on Qadhafi's terrorism. The U.S., in cooperation with France, also should step up aid to the government of Chad in its long-running struggle against northern rebels backed by Libyan troops. This would fuel Libyan discontent about Qadhafi's unpopular war in Chad. By taking these and other actions, the U.S. can underscore the costs of Qadhafi's leadership to the Libyan people and help unify the large but divided opposition in exile.

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