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THE WHITE HOUSE
WASHINGTON

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MEMORANDUM OF CONVERSATION

SUBJECT: NSPG on Libya, August 14, 1986

PARTICIPANTS: The President
The Vice President
Secretary of State George Shultz
Secretary of Treasury James Baker
Secretary of Defense Caspar Weinberger
Chief of Staff Donald Regan
National Security Advisor, John M. Poindexter
Attorney General Edwin Meese
Chairman, Joint Chiefs of Staff, Admiral
William Crowe
William Casey, Director, CIA
Rodney B. McDaniel
Howard R. Teicher, NSC Staff

DATE, TIME August 14, 1986
AND PLACE: 11:03 a.m. - 12:00 p.m., White House
Situation Room

John Poindexter opened by stating that the subject of the meeting was Libya. It has been four months since our raid on Tripoli. We have used a combination of economic and military pressure to deter terrorism and it has been successful - even more successful than we had hoped. In discussions a month ago, it was decided to review how to keep up the pressure on internal developments in Libya, deter terrorism and encourage people to oust Qadhafi. A new leader may be more able to work with us. There is some uncertainty over how long deterrence will hold. Reports indicate that increased terrorist activities are being planned. We will warn our embassies.

William Casey [REDACTED]

[REDACTED]

E. O. 12958
As Amended
Sec. 1.4(c)(1)

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NLS M05-016 # 19275
By [signature], NARA, Date 12/21/05

ready to do something about it. The Libyan military is the only institution able to do something. Qadhafi distrusts his senior officers. There are indications that Qadhafi believes they are out to get him. He has moved his headquarters and ammunition to secret locations in the desert.

There are tribal problems. [REDACTED]

[REDACTED]

E. O. 12958
As Amended
Sec. 1.4(c)(d)

James Baker stated that all U.S. parent companies have been out of Libya since June 30. Subsidiaries are still operating in Libya. We're asking for details by September 1. There are teams going to Europe to obtain certificates that Libyan crude is not coming to the U.S. Financial support of terrorism is also being studied. We are using as comprehensive a set of sanctions as possible, short of extraterritorial application, to keep the pressure on. Once we have our report we may see some companies employing Libyans that could be pressed.

Poindexter noted that Treasury, State and CIA are working well together.

Edwin Meese asked whether it was possible to trace some money from New York supporting terrorism? That would be vulnerable to RICO.

Crowe noted that in reference to our military posture, our attack in April was successful but we're walking on a fine line now. We can be accused of plotting and then retreating. Qadhafi is still in power - going too far may help him consolidate his power - which would be disastrous if we encourage people to rise up but not be there to help them if they get squashed. We shouldn't need to do too much in order to upset the Libyans. It is in our best interests to understate, not overstate. We should operate in the Central Mediterranean. Our exercises with Egypt and Tunisia should help us train, but we shouldn't appear to be attacking. Qadhafi will inflate and exaggerate the situation if that is allowed to happen.

The President stated that with reference to plans, it is absolutely necessary that there be no delay in hitting Qadhafi again when the evidence links Libya to a terrorist act.

Weinberger argued that the evidence must be absolutely clear.

Crowe stated that the presence of 2 CVBGs are causing deployment problems elsewhere. Long deployments are causing a downturn in reenlistment.

The President expressed serious concern about this problem and asked if we couldn't strike with just one CVBG?

Crowe answered that yes we could, but with less force.

Miller asked if this was all legal.

Poindexter said we have assessed the legal issues. He then asked whether anyone could point out any downsides which haven't been discussed?

Meese stated that Admiral Crowe was right and we shouldn't look like we're backing down.

The President stated that he was concerned about sailor morale.

Poindexter responded that the normal routine is about 6 months. This is just 1-3 months longer.

Casey stated that we ought to think about getting involved in the Maltese election.

Poindexter summarized that we will be ready to respond with military action if we determine that Libya is behind a terrorist attack against U.S. interests. At the same time we will pursue a multi-faceted strategy designed to intensify the pressures on Qadhafi.

Drafted by:
Howard R. Teicher

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508

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August 29, 1986

ACTION

MEMORANDUM FOR RODNEY B. MCDANIEL

FROM: HOWARD R. TEICHER *HRT*

SUBJECT: NSPG ON Libya, August 14, 1986

Attached at Tab I for your approval and proper filing is the MEMCON of the NSPG on Libya, August 14, 1986.

RECOMMENDATION

That you file the attached MEMCON.

Approve *WRT* Disapprove _____

DECLASSIFIED
White House Guidelines, August 28, 1997
By *WRT* NARA, Date *9/10/07*

Attachment

Tab I MEMCON

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