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Box CPC-1; FBI-098 *197-108/1*

Wills - F97-108/1

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. Paper	re: Syrian-Supported Training Camps, 2 p. <i>D 4/13/06 DLSF 97-108/1 #84</i>	n.d.	P1/F1 <i>B3</i>
2. Paper	Comments on OSG Discussion Paper, 2 p.	6/8/86	P1/F1/P5
3. Paper	State Department Comments on Discussion Paper, 4 p. <i>P. Part 3/26/10 MD8-097 #84B</i>	6/9/86	P1/F1/P5
4. Paper	OSG Discussion Paper (with edits), 5 p.	6/9/86	P1/F1/P5
5. Paper	Syrian Involvement in International Terrorism, 6 p. <i>D 4/13/06 DLSF 97-108/1 #85</i>	n.d.	P1/F1 <i>B3</i>
6. Paper	re: Syrian-Supported Training Camps, 1 p. <i>D " " " #86</i>	n.d.	P1/F1 <i>B3</i>
* 7. Cable	Cable #040352Z Jun 86, 6 p. <i>Part 8/19/02 F97-108/1 #87</i>	6/4/86	P1/F1 <i>B3</i>
8. Paper	Pattern of Middle Eastern Terrorist Operations in Europe: The Palestinians, 11 p. <i>R " " " #88</i>	n.d.	P1/F1
9. Paper	Syrian Involvement in International Terrorism, 6 p. <i>D 4/13/06 " " #89</i>	n.d.	P1/F1 <i>B3</i>
10. Paper	Working Paper - Syrian Terrorism and USG Response, 4 p. <i>Part " " #90</i>	11/3/86	P1/F1
11. Paper	Working Paper - Syrian Terrorism and USG Response, 6 p. <i>Part " " #91</i>	6/9/86	P1/F1
12. Paper	Terms of Reference, 2 p. <i>R " " " #92</i>	n.d.	P1/F1
13. Talking Pts	CPPG Meeting re Syrian Support for Terrorism, 2 p. <i>R " " " #93</i>	11/86	P1/F1

* 7. Cable Cable 040352Z Jun 86, 6 p. 6/4/86 B3
 Part 3/26/10 MD8-097 #87, same as Part. PD4-003 #87

RESTRICTION CODES

- Presidential Records Act - [44 U.S.C. 2204(a)]**
- P-1 National security classified information [(a)(1) of the PRA].
 - P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
 - P-3 Release would violate a Federal statute [(a)(3) of the PRA].
 - P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
 - P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
 - P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].
 - C. Closed in accordance with restrictions contained in donor's deed of gift.

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PENDING REVIEW IN ACCORDANCE WITH E.O. 13233

Ronald Reagan Library

Collection Name COY, CRAIG: FILES

Withdrawer

CAS 4/17/2007

File Folder SYRIA (2)

FOIA

F97-108/1

Box Number CPC-1; FBI-098

ID	Doc Type	Document Description	No of Pages	Doc Date
10	PAPER	WORKING PAPER RE SYRIAN TERRORISM AND USG RESPONSE (#90)	4	11/3/1986
11	PAPER	WORKING PAPER RE SYRIAN TERRORISM AND USG RESPONSE (#91)	6	6/9/1986
12	PAPER	TERMS OF REFERENCE (#92)	2	ND

OPENED 08/09/2005

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8 Jun

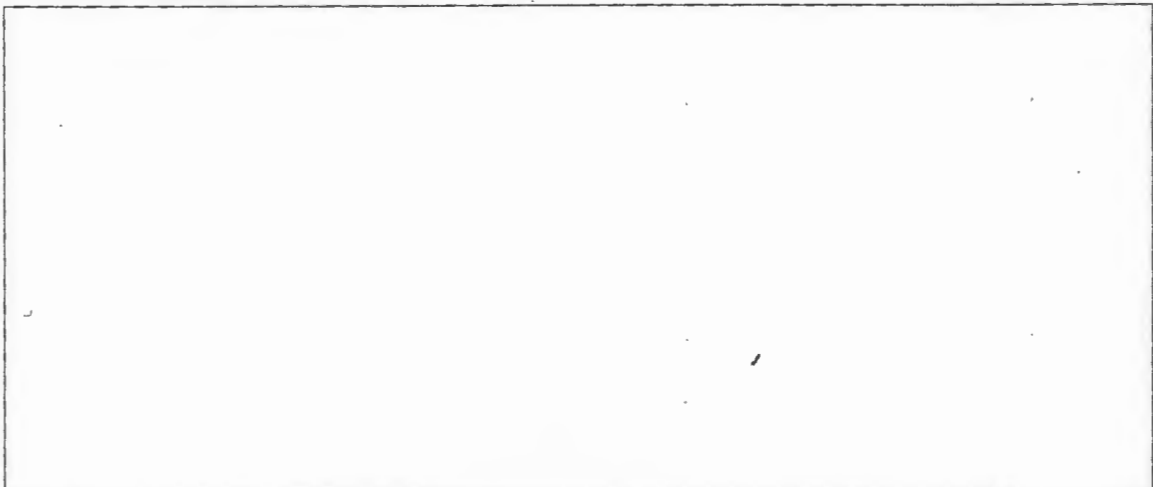
Comments on OSG Discussion Paper

General: We agree with most of the fundamental conclusions of the paper. It accurately notes the serious dangers and difficulties in proceeding to deal with Syria in the same manner with which we have dealt with Libya, particularly the risks of military action. The paper somewhat overstates Syrian vulnerabilities in economic and political terms, which are handled in [redacted] but points in the right direction.

Options: In general there should be some discussion of the pros and cons of the various approaches, particularly those areas where other vital US interests may be damaged by a myopic preoccupation with counter-terrorism.

Diplomatic: Concur with most. Undermining our diplomatic presence in Damascus, however, has serious costs. [redacted] More importantly, the US capacity to act as diplomatic intermediary between Israel and Syria could be seriously weakened, thereby increasing the already high prospects for conflict. If these options are regarded as a continuum of escalating pressures then recalling ambassador should be at the end of the line rather than beginning.

Public Information: Concur



Military: Concur.

Incidentals: A few minor fixes.

Page one, para two: the attacks on US interests since 1983 all occurred in Jordan and were part of Syria's campaign

13526
E. O. 12958
As Amended
SEC. 1.4(c)

DECLASSIFIED BY [redacted]

NR/MDS-DGJ#842

BY RW MADA DATE 5/20/11



against the Hussein-Arafat dialogue. Since the Syria-Jordanian rapprochement last fall, these have halted.

✓ Page one, para five: Syria is not engaged in a significant military buildup in Lebanon. In fact, it has withdrawn half of its forces previously stationed in Lebanon in the last year. Rather it is engaged in some military construction activities in southwest Lebanon and these have raised tensions with Israel.

✓ Page two, "worker remittances." We believe this estimate is too high, probably only \$500 M. annually.



Please LDX
to Christie
Monday A.M. --
our only copy.
Thank



9 Jun

~~TOP SECRET/ SENSITIVE~~

Subject: State Department Comments on Discussion Paper:
Syrian Terrorism and USG Response

1. We believe that the key paragraph in the paper appears on page 2, under options, and we basically agree with it:

Our objective, curtailing Syrian support for international terrorism, can best be supported by a combination of diplomatic, public information, economic, [redacted] activities [unlike the paper, we would also add military if appropriate]. The Tokyo Summit Declaration provides an opportunity for a cooperative effort with our allies -- if they can be quietly convinced of Syria's capability in terrorist activity.

2. The Current Situation section presents a generally accurate summary, but gives a misleading impression of Syria's military actions or intentions in Lebanon. There has been no recent increase in Syrian troop strength, armor or artillery in Lebanon to compensate for the earlier redeployment from Lebanon back to Syria. There has been an increase in air defense capabilities on the Syrian-Lebanese border.

The section also fails to mention the substantial Soviet military commitment to and involvement in Syria, and Asad's demonstrated refusal to be cowed in taking limited military actions to show Syria's resolution, even when he knows that the outcome is likely to be unfavorable.

3. We also believe that the Options section is a good initial compilation of actions that might be taken, unilaterally or multilaterally. We do not agree, however, that the proposed actions constitute a realistic package or "totality", nor should they be initiated all at the same time unless there is a marked change for the worse in terrorist activity supported by Syria.

The options should include exploitation of the Soviet role in Syria. Syria is their major client in the Middle East and they do not want to jeopardize the relationship. We leaned hard on the Soviets in the case of Libya and they made it clear to Qadhafi that they would not support him militarily against us, advised him to back off, and were totally absent when we attacked (a fact not lost on the Syrians). A similar tactic could be employed with the

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DECL: OADR

E. O. 12958
As Amended
Sec. 3.3 (b)(1)

DECLASSIFIED IN PART
NLRR MO8-097 #848
BY RW NARA DATE 3-26-10

Soviets in relation to Syria, communicating a strong message to Moscow of our concern for Syrian support for terrorism and the consequences of continued support.

Organizationally, we believe that the options should be broken down into unilateral and bilateral/multilateral categories, carefully reviewed as to likely costs/risks and benefits/effectiveness, and placed in an approximate order of appropriateness to meet the short term threat commensurate with long term anti-terrorist goals. Moreover, a number of the options are already in train and others should be deferred. For example, discussions with the Summit Seven governments has begun [REDACTED]

[REDACTED] Economic measures by other governments, on the other hand, should not be proposed until there is a greater consensus among our friends on the seriousness of the threat and the degree of Syrian involvement in terrorism. [REDACTED]

The policy for confronting Syrian terrorism currently being pursued as approved by Secretary Shultz, is a long-term strategy of gradually increasing pressures, balancing unilateral actions by the USG with bilateral and multilateral political, diplomatic, security, military and intelligence actions with our major allies and friends.

Such a policy, to be effective, must be designed to fit the circumstances, and implemented in phases, from public statements to [REDACTED] action if need be. Some of the options in the paper, notably the public information campaign [REDACTED], if implemented simultaneously and without further hard evidence of the full extent of Syrian involvement, would almost certainly cause Asad to increase rather than decrease support for terrorist acts. To date, he has not reacted in the same provocative manner that Qadhafi did following the January sanctions, and has not ordered a world wide terrorist campaign aimed at Americans, such as Qadhafi did. We should calibrate our future with those of Syria lest we inadvertently generate greater rather than less terrorism.

We have already taken a number of steps to implement this policy of phased responses:

--We have confronted the Syrians directly, both here and in Damascus, with the seriousness with which we view support for terrorism, and our commitment to use all

appropriate means to counter it. Directly and via others, we should keep the lessons of Libya alive in Syrian minds.

--We have reached agreement with the British to carry out themselves and to urge selected third countries (e.g. FRG, Italy and French) to carry out a series of quiet but tough demarches in Damascus, each from their own perspective, underscoring that the international community will not accept Syria's support for activities such as the El Al attack. [REDACTED]

--Deputy Secretary Armacost has obtained agreement from Italian Prime Minister Craxi to take a similar approach with Syria of quiet but tough diplomacy.

--Assistant Secretary Murphy will be talking to the Japanese on June 11-12, raising Syrian-supported terrorism and other Middle Eastern issues.

--We are having bilateral talks on terrorism with the French here on June 17-18, resulting from Shultz-Raimond talks at the Tokyo summit, and Syria is first on the agenda.

4. In choosing the most appropriate mix of policy options, particularly before moving to more punitive action, we need a clearer picture of the full extent and pattern of Syrian involvement in terrorism as well as future trends.

--Many of the incidents listed in the paper [REDACTED] were conducted for Syria by Abu Nidal against Jordan and associated targets at a time when Syrian-Jordanian relations were very strained over the peace process. These include most of the attacks on US targets at the time. With the collapse of the Hussein initiative, and a resulting improvement in Syrian-Jordanian relations, those attacks have virtually ceased.

--A distinction should also be made between sole Syrian patronage of Abu Nidal before mid-1985 and the situation afterwards when Abu Nidal shifted the locus of his operations to Libya; we still believe that the primary

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-4-

impetus for the Vienna and Rome airport bombings was Libya, although Syria certainly had a hand in it by facilitating the movement of terrorists from Lebanon and Syria to the targets.

Asad is being very careful in response to US pressure, both in word and deed (particularly the Murphy talks). We need to see whether this is a short term tactic or whether, as in the case of Iraq, he can be persuaded to abandon terrorism as too costly. In reviewing the options to do this, we must carefully calibrate a balance of carrot and stick.

In sum, we would like to see the options addressed in this paper reorganized to constitute a range of realistic responses at our disposal, to be employed in increasing intensity depending on the established degree of Syrian complicity and the degree of Syrian responses to efforts under way to persuade the SARG to abandon its support for terrorism.

Finally, given the current low level of Syrian activity on terrorism, and the importance of other initiatives in the Middle East in which Syrian reactions will play a decisive role, we need to look at our anti-terrorist policy as it relates to Syria in a broader Middle East context as well.

Drafted: S/CT: DELong
Wang # 3832, ext. 647-7808 06/07/86

Cleared: S/CT: RBOakley
NEA/ARN: AGlaspie

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June 9, 1986
~~June 5, 1986~~

OSG DISCUSSION PAPER
Syrian Terrorism and USG Response

BACKGROUND:
Syria and Terrorism

Syria is clearly linked to international terrorism. During the last three years, Syria has changed markedly the nature of its involvement from its previous use of its own operatives to attack opponents of the Assad regime at home and abroad. Since early 1983, however, Damascus has turned increasingly to surrogate groups: Syrian-supported groups have been involved in at least 75 attacks against Jordanian, U.S., Palestinian, and Israeli targets (Tab A).

The attempted El Al bombing in London and the German-Arab Friendship Union bombing in West Berlin provide the strongest evidence of direct Syrian involvement in terrorism in Western Europe since the early 1970s. Syrian-supported groups have attacked U.S. facilities in the Middle East 11 times since 1983, and attacks by Abu Nidal operatives have killed or wounded over 100 U.S. citizens during this time.

Syrian involvement in terrorism is authorized -- at least in general terms -- by President Assad. He relies on a select group of trusted lieutenants to implement policy, often ignoring formal institutional lines of authority, Syrian involvement in terrorism follows the pattern of the President's personalistic style of work.

- Military Intelligence Chief Ali Duba reportedly dispatches Palestinian terrorist squads to Arab and West European countries.
- Air Force Intelligence Chief Muhammad al-Khuli's involvement in terrorism is well-documented and he was probably involved in the El Al operation. (Nizar Hindawi, the perpetrator of the attempted El Al bombing, identified an aide to Khuli as one of his points of contact.)

Finally, the Syrians run training camps and provide support, diplomatic cover, and facilities for numerous terrorist organizations in Syria, Lebanon, and elsewhere.

Current Syrian Situation:

Syria ^{has} ~~is engaged in~~ a significant military ^{presence} ~~build up~~ in Lebanon and their ~~which has~~ led to increased tensions between Syria and Israel. The U.S. raid on Libya reportedly raised Assad's concern for the quality of his Soviet-supplied air defenses as well as anxiety over a possible U.S. attack on Syria.

military construction activities

(over)

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BY RW NARA DATE 5/20/11

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Syria's substantial Soviet military commitment is much more developed than Libya's ties to the Soviet Union. This fact coupled with Assad's determination not to be cowed in taking limited military actions to show Syria's resolution are, when the outcome is likely to be unfavorable, will make ^{U.S.} military options seem more difficult.

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Economically, Syria is performing well below potential. Real GNP has declined over the past three years and Syria's balance of trade remains heavily in deficit. Although resources are scarce, the government continues to mobilize funding for an ambitious economic development program at the same time it spends over 50% of its budget on the military. Syria will be stressed to maintain this level of military spending.

Syria's imports exceed exports by a factor of nearly 2 to 1, and Syria has been running a current account deficit of around \$1.9B for the past 5 years. As a result, Syria's hard currency reserves have been significantly reduced; estimates of hard currency holdings are less than \$200M or only 20 days worth of civilian imports. Boosting exports is extremely difficult since oil, which provides nearly two-thirds of all hard currency earnings, is needed for domestic consumption. In fact, last year Syria actually purchased more oil from abroad than it sold.

Syria is able to tap three major sources of foreign exchange to offset its chronic trade deficit:

- Foreign Grant Aid: Under the Baghdad Accord, Syria was allotted \$1.8B per year from other Arab states, but the drop in oil revenues has provided only \$800M instead. Iran continues to supply oil on a concessional basis.
- Worker Remittances: Payments sent home by Syrians abroad amount to ~~\$500M-\$1.0B~~ ^{approximately} annually.
- Foreign Lending: World Bank statistics attribute about \$2.7B in outstanding debt and Syria's credit rating continues to decline.

Syria also has limited but important commercial relations with the European Community (EC):

- Syria exports (mostly oil) about \$600M annually, and the EC provides approximately 18% of Syria's food imports.
- Western banks provide trade credits and the Syrian Foreign Commercial Bank maintains banking relationships with most major Western banks, including U.S.
- The Syrian Arab Airline services Western carriers (Air France, Swiss Air, Lufthansa, KLM, Al Italia, and the Austrian airlines) who fly into Damascus.

In conclusion, Syria's poor economic performance, increased military commitments, and Assad's poor health combine to create significant vulnerabilities for the Syrian regime. However, it

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Topic 1

1A Peter's relationship with "for consultation"



5 Recall Ambassadors indefinitely

6 Break diplomatic relations

would be wrong to underestimate Assad's skill at maintaining a balance of power among the various factions that compete for power. His close ties to the Soviets make policy options for Syria very different from Libya.

OPTIONS:

and military

[REDACTED]

The Tokyo Summit Declaration provides an opportunity for a cooperative effort with our allies -- if they can be quietly convinced of Syria's capability in terrorist activity.

[REDACTED]

The ~~venue~~ menu of options available should be considered as a ~~"totality"~~ *range* and not discrete or singular steps. ~~We should proceed:~~ *range of unilateral and multilateral approaches to persuade Syria to abandon terrorism as too costly.*
Diplomatic All of these options must be weighed against our broader interests in the region and Syria's role in those issues.

Unilateral:

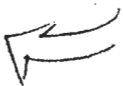
- Recall ambassador.
- Formally downgrade diplomatic representation.
- Reduce size of Syrian diplomatic missions.
- Seek expulsion of Syria from international organizations.
- Slowdown/stop visas for Syrians to U.S.
- Prohibit U.S. travel to Syria.
- Expand discussions with Summit Seven on Syrian involvement in terrorism.
- Monitor cross-border travel of Syrians.
- [REDACTED]

multilateral:

Exploit Syria's position as the Soviet's major client in the Middle East by emphasizing the Soviet's lack of support in Libya, to the SYRIANS

3 Urge the Summit Seven countries to deliver demarches to Damascus vis-a-vis Syria's support for terrorism.

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Public Information

Unilateral

- Coordinated statements by USG officials acknowledging Assad's involvement in terrorism.

- Publication of a "Syria White Paper" with detailed chronology of Syrian involvement in and support of international terrorism.

- Background briefings on role of Syrian intelligence and diplomatic facilities in terrorism.

Economic

Unilateral ✓

Multilateral: 0

- ³⁰ Urge boycott of Syrian oil.

- ²⁰ Urge reduction of trade credits to Syria.

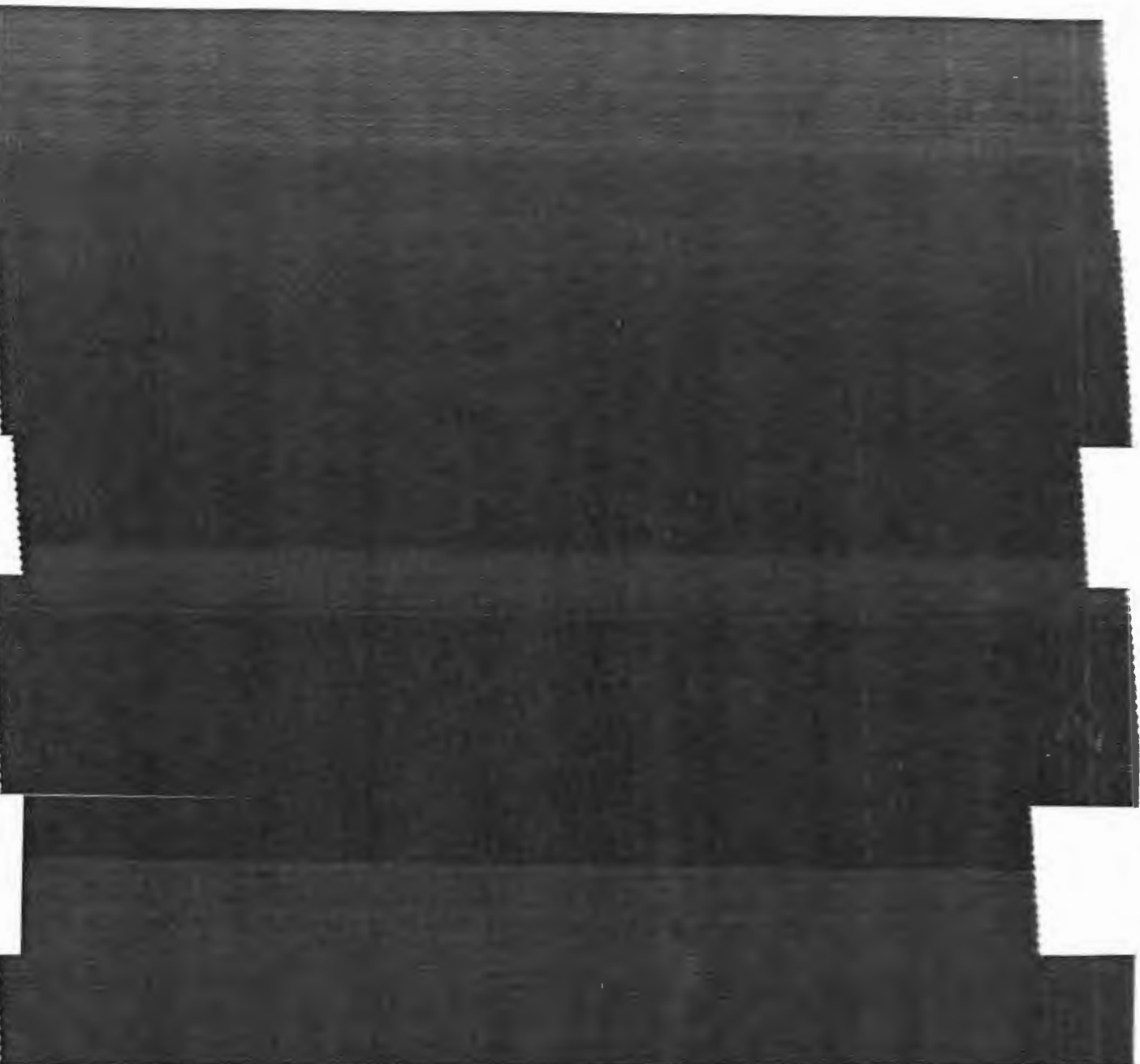
- ³ ✓ Monitor and report Syrian financial transactions.

- ⁷⁰ Ban sales of arms, spare parts, and sophisticated equipment (COCOM).

- ¹ ✓ Press for reduction of commercial ties by U.S. firms [REDACTED]

- ² ✓ Monitor and report Syrian front organizations supporting terrorism.

In order to ensure that our policy fits the circumstances pertaining at any particular time, the options above would be implemented in phases.



Summary

Our policy and the use of any of these options must fit the circumstances and be implemented in phases. Before any action is taken, its effect ^{would be} ~~must~~ be weighed against the possibility of actually causing additional terrorism. Assad is being very careful in response to US pressure, in both word and deed. We need to see if this is a short-term tactic or whether, as in the case of Iraq, he can be persuaded to abandon terrorism. These options are intended to ~~keep~~ apply increasingly levels of pressure on Syria, while including our

THE DIRECTOR OF
CENTRAL INTELLIGENCE

National Intelligence Council

9 June 1986

LTC Oliver North
NSC Staff
302 OEOB

Attached is the memorandum on Syrian involvement
in international terrorism for possible presidential
use during the visit of King Hussein.

Charlie
Charles E. Allen
NIO/CT

*What do you want done
with this?*

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file - Lebanon

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TAGS: PREL, MASS, SCUL, PTER, LE, SR
SUBJECT: SOVIET PRESENCE IN LEBANON

1. ~~SECRET~~ - ENTIRE TEXT.
2. SUMMARY. WITH THE GENERAL COLLAPSE OF SECURITY IN WEST BEIRUT AND THE RISE OF ISLAMIC FUNDAMENTALISM, THE SOVIET UNION, LIKE OTHER FOREIGN COUNTRIES, IS FACING SERIOUS PROBLEMS MAINTAINING ITS DIPLOMATIC, CULTURAL AND MILITARY REPRESENTATIVES IN LEBANON. RELATIVELY UNSCATHED BY THE EFFECTS OF WAR, TERRORISM, AND CIVIL STRIFE DURING THE FIRST TEN YEARS OF THE LEBANESE CONFLICT, THE OFFICIAL SOVIET PRESENCE HERE SUFFERED A SERIOUS BLOW IN SEPTEMBER 1985, WHEN FOUR SOVIET EMBASSY OFFICERS WERE KIDNAPPED, ONE OF WHOM WAS LATER EXECUTED BY HIS CAPTORS.
3. AS A RESULT, THE SOVIETS HAVE CUT THEIR PERSONNEL, EVACUATED DEPENDENTS, AND TIGHTENED SECURITY AROUND THEIR WEST BEIRUT CHANCERY. ACCORDING TO RELIABLE REPORTS, THEY HAVE ALSO PUT OUT DISCREET FEELERS FOR A BUILDING IN EAST BEIRUT WHICH COULD SERVE AS A CULTURAL CENTER OR PERHAPS AN ALTERNATIVE CHANCERY.
4. DESPITE THE NEW PRESSURES ON THEM, THE SOVIETS MAINTAIN THE MOST ACTIVE OFFICIAL PRESENCE OF ANY FOREIGN GOVERNMENT IN WEST BEIRUT, WITH THE POSSIBLE EXCEPTION OF IRAN. THUS FAR, THE SOVIETS HAVE BEEN

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ABLE TO CONTINUE THEIR GENERAL POLICY OF ALLOWING SYRIA A WIDE SCOPE OF ACTION IN LEBANON WHILE, AT THE SAME TIME, MAINTAINING DIRECT CONTACTS WITH LOCAL LEBANESE GROUPS. FOR EXAMPLE, THE SOVIETS MAINTAIN ACTIVE POLITICAL-MILITARY LINKS WITH THE DRUZE "PROGRESSIVE SOCIALIST PARTY" (PSP), THE "LEBANESE COMMUNIST PARTY (LCP), AND THE FATAH PALESTINIANS. THEY ALSO CONTINUE FAIRLY EXTENSIVE CULTURAL, EDUCATIONAL, AND PRESS ACTIVITIES, BUT COMMERCIAL LINKS HAVE DWINDLED.
END SUMMARY.

SOVIET PRESENCE UNDER PRESSURE IN WEST BEIRUT

5. ON MAY 16, THE NEW SOVIET AMBASSADOR TO LEBANON, VASSILI IVANOVICH KOLOTUCHA, PRESENTED HIS CREDENTIALS TO PRESIDENT GEMAYEL AND OFFICIALLY REPLACED AMBASSADOR ALEXANDRE SOLDATOV. AMBASSADOR SOLATOV, WHO HAD ARRIVED IN BEIRUT IN NOVEMBER 1974 AND REPRESENTED THE SOVIET UNION HERE THROUGHOUT THE LEBANESE WAR, DEPARTED LEBANON "ON VACATION" IN AUGUST 1985, RETURNING ONLY BRIEFLY LAST MONTH TO MAKE HIS FAREWELL CALLS. IN THE LONG INTERIM, YURI SUSLIKOV SERVED AS CHARGE D'AFFAIRES.

6. AMBASSADOR KOLOTUCHA, WHO PREVIOUSLY SERVED AT THE SOVIET EMBASSY HERE IN 1976-77, ASSUMED HIS FUNCTIONS AT A TIME WHEN THE SOVIET PRESENCE IN WEST BEIRUT IS COMING UNDER INCREASING PRESSURE FROM ISLAMIC FUNDAMENTALISTS AND FROM THE GENERAL BREAKDOWN OF LAW AND ORDER IN WEST BEIRUT. DURING MOST OF THE WAR, SOVIET OFFICIALS AND FACILITIES REMAINED RELATIVELY UNSCATHED BY MILITIA OR TERRORIST ACTIONS. THAT SITUATION ENDED ABRUPTLY IN LATE SEPTEMBER 1985, WHEN FOUR MEMBERS OF THE SOVIET EMBASSY STAFF WERE KIDNAPPED IN WEST BEIRUT AND ONE WAS EVENTUALLY EXECUTED.

7. THE SOVIET REACTION TO THE KIDNAPPING WAS TWO-FOLD. ON THE ONE HAND, THE SOVIETS UNDERTOOK EXTENSIVE CONTACTS AND APPLIED PRESSURE TO SECURE THE RELEASE OF THEIR HOSTAGES. ON THE OTHER HAND, THEY SOUGHT TO REDUCE THEIR EXPOSURE TO FURTHER TERRORIST THREAT.

8. BESIDES CONTACTS AT THE OFFICIAL LEVEL, THE SOVIETS "CALLED IN THEIR CHIPS" FROM SYRIA AND FROM THE PSP, THE LCP, FATAH AND OTHER PRO-SOVIET MILITIAS. THESE MILITIAS, ESPECIALLY THE PSP, MADE SURPRISE SEARCHES OF VARIOUS LOCATIONS IN WEST BEIRUT WHERE THE SOVIET HOSTAGES MIGHT HAVE BEEN HELD. SIMULTANEOUSLY, ACCORDING TO NUMEROUS UNCONFIRMED REPORTS, SOVIET INTELLIGENCE AGENTS APPLIED PRESSURE DIRECTLY ON THE KIDNAPPERS BY ARRANGING FOR THE ABDUCTION AND PERHAPS

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EVEN THE EXECUTION OF PEOPLE CLOSE TO THEM. WHETHER THE DETAILS OF THESE REPORTS ARE WELL-FOUNDED OR NOT, IT DOES APPEAR THAT THE SOVIETS ACHIEVED THE RELEASE OF THREE OF THEIR HOSTAGES BOTH BY MOUNTING A MAJOR DRAGNET OPERATION WITH THE ASSISTANCE OF THE PSP AND BY APPLYING GREAT PRESSURE ON THE CAPTORS THEMSELVES.

9. THE SOVIETS ALSO SOUGHT TO REDUCE THEIR EXPOSURE TO FURTHER TERRORIST ACTS BY REDUCING EMBASSY PERSONNEL, EVACUATING DEPENDENTS, AND STRENGTHENING DEFENSES AROUND THE CHANCERY COMPOUND. STREETS LEADING TO THE COMPOUND HAVE BEEN BLOCKED BY CONCRETE BARRIERS, AND THE PSP UNITS GUARDING THE BUILDING HAVE BEEN REINFORCED. ACCORDING TO A RELIABLE WEST BEIRUT SOURCE, SOVIET EMBASSY PERSONNEL HAVE REDUCED THEIR MOVEMENTS OUTSIDE THE

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My good friend in Lebanon

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COMPOUND FOR FEAR OF KIDNAPPING OR ASSASSINATION AND ARE MUCH LESS VISIBLE AROUND WEST BEIRUT. THE CURRENT PERSONNEL LEVEL AT THE SOVIET EMBASSY REMAINS UNKNOWN, BUT SOME PERSONS EVACUATED DURING THE KIDNAPPING EPISODE HAVE REPORTEDLY RETURNED. WE HAVE HEARD NUMEROUS UNCONFIRMED RUMORS THAT MORALE AT THE SOVIET EMBASSY HAS DECLINED BECAUSE OF THE CONFINEMENT, THE EVACUATION OF DEPENDENTS, AND THE INCREASED TERRORIST THREAT.

10. OVER THE LONGER TERM, THE SOVIETS APPEAR TO BE CONTEMPLATING MOVING AT LEAST SOME OF THEIR OPERATIONS TO ET BEIRUT, AS MANY OTHER EMBASSIES HAVE ALREADY DONE. A SOURCE IN THE MFA PROTOCOL OFFICE CONFIRMED TO US REPORTS THAT THE SOVIETS WERE QUIETLY SEEKING TO ACQUIRE A BUILDING IN EAST BEIRUT, PROBABLY IN THE MAR TALKA OR HAZIMIYAH AREA, FOR USE AS A CHANCERY OR CULTURAL CENTER. WE HAVE HEARD UNCONFIRMED REPORTS THAT THE CZECHS MAY BE SEARCHING FOR SUCH FACILITIES ON BEHALF OF THE SOVIETS. IF THE SOVIETS DO, IN FACT, TRANSFER SOME OR ALL OF THEIR EMBASSY OPERATIONS TO EAST BEIRUT, THE POLITICAL SIGNIFICANCE WOULD BE IMPORTANT. SUCH A TRANSFER WOULD SYMBOLIZE, IN EFFECT, THAT THE SOVIETS COULD NO LONGER DEPEND ON THE LEFTIST ELEMENTS IN WEST BEIRUT TO PROVIDE THEM ADEQUATE PROTECTION FROM ISLAMIC FUNDAMENTALISTS OR OTHER TERRORIST GROUPS. IN SUM, IT WOULD BE A SOVIET ADMISSION OF AT LEAST PARTIAL DEFEAT.

SOVIET CULTURAL AND NEWS MEDIA PRESENCE

11. DESPITE SECURITY PRESSURES, THE SOVIETS HAVE MAINTAINED AN ACTIVE CULTURAL CENTER (LIBRARY, EXHIBITION HALL, AND FILM THEATER) IN A FOUR-STORY BUILDING ON VERDUN STREET IN WEST BEIRUT. WHILE THERE HAVE BEEN NO MAJOR SOVIET CULTURAL EVENTS IN THE LAST TWO YEARS, THE ROUTINE FUNCTIONS ARE VERY WELL ATTENDED. (IT IS PRACTICALLY THE ONLY SHOW IN WEST BEIRUT). THE SOVIETS ALSO PROVIDE THREE TO FOUR HUNDRED SCHOLARSHIPS EACH YEAR TO LEBANESE STUDENTS, MOST OF WHOM HAVE CONNECTIONS WITH THE LCP, THE PSP, OR AMAL, WHILE NOT PARTICULARLY SOUGHT AFTER IN THE PAST, THESE SCHOLARSHIPS HAVE BECOME MORE ATTRACTIVE DUE: (A) TO THE DRASTIC FALL IN VALUE OF THE LEBANESE POUND OVER THE LAST 18 MONTHS AND THE RESULTING INABILITY OF MOST LEBANESE TO PAY FOR A WESTERN COLLEGE EDUCATION; AND (B) THE BREAKDOWN IN SECURITY IN WEST BEIRUT AND THE CONSEQUENT INABILITY OF THE AMERICAN UNIVERSITY OF BEIRUT (AUB) AND OTHER UNIVERSITIES TO FUNCTION NORMALLY. OTHER ASPECTS OF SOVIET CULTURAL PRESENCE IN LEBANON INCLUDE A MODERATELY ACTIVE SOVIET-LEBANESE FRIENDSHIP ASSOCIATION AND SEVERAL ORGANIZATIONS GROUPING LEBANESE STUDENTS WHO HAVE STUDIED IN THE SOVIET UNION.

12. THE SOVIET TASS AND NOVOSTI NEWS AGENCY CORRESPONDENTS ARE AMONG THE VERY FEW REMAINING MEMBERS OF BEIRUT'S ONCE FLOURISHING PRESS CORPS. ALMOST ALL FOREIGN JOURNALISTS HAVE DEPARTED WEST BEIRUT BECAUSE OF THE TERRORIST THREAT THERE, AND MOST HAVE LEFT LEBANON ENTIRELY. BESIDES THE TASS AND NOVOSTI
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CORRESPONDENTS, WHO WERE THEMSELVES EVACUATED TEMPORARILY IN THE WAKE OF THE SOVIET EMBASSY KIDNAPPINGS, THE ONLY TWO REMAINING FOREIGN JOURNALISTS WORK FOR "THE GUARDIAN" AND FOR THE FRENCH TELEVISION CHANNEL "TF 1." OTHER INTERNATIONAL NEWS MEDIA DEPEND ON LOCAL STRINGERS OR, ON RARE OCCASIONS, A BRIEF VISIT BY A FOREIGN CORRESPONDENT. AS FOR THE TASS AND NOVOSTI NEWSMEN

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RESIDENT IN WEST BEIRUT, A RELIABLE LEBANESE CORRESPONDENT FOR H MAJOR U.S. NEWSPAPER TELLS US THAT THEY ARE LESS AND LESS VISISE AROUND TOWN. LIKE SOVIET DIPLOMATS, THEY HAVE LIMITED THEIR ACTIVITIES OUT OF CONCERN FOR THEIR PERSONAL SAFETY.

13. THE SOVIET EMBASSY PRESS SECTION, HOWEVER, APPEARS TO HAVE REMAINED QUITE ACTIVE. DEPENDING LARGELY BUT NOT EXCLUSIVELY ON LOCAL LEBANESE STAFF, THE PRESS SECTION CONTINUES TO FREQUENT NEWSPAPER EDITORIAL OFFICES. THE EMBASSY PRESS SECTION OFFERS FREE, PRE-PREPARED NEWS MATERIAL AND ISSUES INVITATIONS FOR LEBANESE JOURNALISTS TO VISIT THE SOVIET UNION. IN GENERAL, ONLY THE SMALL-CIRCULATION LEFTWING PAPERS PRINT THE TASS AND NOVOSTI ITEMS AS PROVIDED; THE INDEPENDENT PAPERS ARE VERY SELECTIVE. AND THE RIGHTWING PAPERS PRINT PRACTICALLY NONE OF THEM. THE ONLY NEWSPAPER WHICH CAN BE DESCRIBED AS STAUNCHLY PRO-SOVIET IS "AN-NIDA," THE LCP PAPER WHICH HAS A CIRCULATION OF SIX TO SEVEN THOUSAND. SOVIET DISINFORMATION EFFORTS DO NOT SEEM ANY MORE ACUTE IN LEBANON THAN ELSEWHERE.

SOVIET ECONOMIC AND COMMERCIAL PRESENCE

14. OVER THE PAST YEAR, THE SOVIETS HAVE REDUCED THEIR FINANCIAL AND COMMERCIAL ACTIVITIES IN LEBANON. THE SOVIET NORODNI BANK, WHICH OWNED AND OCCUPIED A LARGE BUILDING ON THE CORNER OF MADAME CURIE AND VERDUN STREETS IN WEST BEIRUT, HAS REMOVED ITS SOVIET PERSONNEL, SOLD ITS OFFICE BUILDING, AND REDUCED ITS OPERATIONS TO A REPRESENTATIVE OFFICE. IN THE AFTERMATH OF THE SOVIET KIDNAPPINGS, AEROFLOT HAS CEASED FLIGHTS TO BEIRUT BUT CONTINUES TO MAINTAIN AN OFFICE HERE. RESUMPTION OF AEROFLOT FLIGHTS HAS BEEN ANNOUNCED AND THEN POSTPONED SEVERAL TIMES SINCE MARCH. TO THE BEST OF OUR KNOWLEDGE, THERE ARE NO OTHER SOVIET FIRMS OPERATING IN LEBANON AND WHAT LITTLE BUSINESS DOES TAKE PLACE IS HANDLED THROUGH LOCAL AGENTS. LEBANESE GOVERNMENT TRADE FIGURES FOR 1983, THE MOST RECENT YEAR AVAILABLE, INDICATE AN INCREDIBLY LOW VOLUME OF BILATERAL TRANSACTIONS: \$23 THOUSAND IN SOVIET EXPORTS TO AND \$8 THOUSAND IN SOVIET IMPORTS FROM LEBANON. WE SERIOUSLY DOUBT THE ACCURACY OF THESE STATISTICS.

15. IN JANUARY 1986, LEBANON AND THE SOVIET UNION CONCLUDED A BILATERAL TRADE AGREEMENT DURING THE VISIT OF LEBANESE MFA SECRETARY GENERAL FUAD TURK TO MOSCOW. THIS "CLEARING AGREEMENT," WHICH AMOUNTS TO \$80 MILLION, REPORTEDLY PROVIDES FOR SOVIET EXPORTS OF \$50 MILLION AGAINST LEBANESE EXPORTS OF \$30 MILLION. THIRTY PERCENT OF THE LEBANESE EXPORTS TO THE SOVIET UNION WOULD CONSIST OF AGRICULTURAL PRODUCTS, WITH THE REMAINDER BEING INDUSTRIAL PRODUCTS. FOLLOWING THE SIGNING OF THIS TRADE AGREEMENT, A SOVIET TRADE DELEGATION WAS SCHEDULED TO COME TO LEBANON IN MID-FEBRUARY BUT POSTPONED ITS VISIT, PROBABLY DUE TO SECURITY CONSIDERATIONS.

SOVIET MILITARY PRESENCE

16. SOVIET MILITARY PERSONNEL PRESENT IN LEBANON INCLUDE LIEUTENANT COLONEL ANATOLY BELOV, THE MILITARY ATTACHE, AND APPROXIMATELY 20 RUSSIAN SOLDIERS SENT HERE AFTER THE KIDNAPPING OF SOVIET OFFICIALS LAST SEPTEMBER. THESE SOLDIERS PROVIDE SECURITY FOR THE SOVIET EMBASSY,

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ENHANCING THE PSP MILITIA FORCE WHICH IS ALSO ASSIGNED TO PROTECT THE CHANCERY. THE SOVIET MILITARY ATTACHE HAS FREQUENT CONTACTS WITH DRUZE PSP LEADER WALID JUMBLATT AND OTHER PSP OFFICIALS AND TRAVELS FREELY TO THE DRUZE HOMELAND, THE SHUF REGION. THE SOVIET MILITARY ATTACHE MAINTAINS A CLOSE RELATIONSHIP WITH THE EAST GERMAN MILITARY ATTACHE, WHO SPEAKS RUSSIAN AND WHO HAU ACCOMPANIED THE SOVIET ON TRIPS TO THE SHUF.

17. LTC BELDV HAS REPORTEDLY HAD MEETINGS WITH SYRIAN OFFICERS RESPONSIBLE FOR INTDLIGENCE AND SECURITY IN WEST BEIRUT. DAO CONTINUES TO HEAR REPORTS THAT, IN FEBRUARY, AS MANY AS 75 SOVIET OBSERVERS ARRIVED IN LEBANON, DISPERSED TO VARIOUS LOCATIONS IN WEST BEIRUT, WITH 15 GOING TO THE UPPER METN REGION BEHIND SYRIAN LINES. SOVIET OFFICERS, IN UNIFORM, WERE ALSO OBSERVED BY A NATO ATTACHE ON VARIOUS OCCASIONS IN CHTAURA AND IN THE DRUZE AREA, BUT THEY COME FROM DAMASCUS RATHER THAN BEIRUT.\$

18. THE EXACT SCOPE AND MAGNITUDE OF SOVIET MILITARY ASSISTANCE TO MILITIAS IN LEBANON, SUCH AS THE PSP AND THE PALESTINIANS, ARE UNKNOWN. DAO SOURCES INDICATE, HOWEVER, THAT ASSISTANCE TO THE PSP IS EXTENSIVE AND CONSISTS OF EQUIPMENT USUALLY PROVIDED FREE OF CHARGE. THE PSP NOC RECEIVES SOVIET MILITARY EQUIPMENT IN THE SHUF VIA ITS OWN PORT AT KHALDAYH, JUST SOUTH OF BEIRUT, RATHER THAN OVERLAND VIA SYRIA. THE SOVIET EQUIPMENT IS CARRIED ON THIRD WORLD OR EAST GERMAN SHIPS. SOVIET EQUIPMENT ALSO REACHES LEBANON THROUGH SYRIA, WHICH PROVIDES IT TO ITS LEBANESE ALLIES, E.G., AMAL, THE SSNP, AND THE PRO-SYRIAN BAATH PARTY MILITIAS. SYRIA RECEIVES THIS EQUIPMENT FROM THE SOVIET UNION EITHER FREE OF CHARGE OR ON GENEROUS CREDIT TERMS IN ORDER TO EASE THE STRAIN ON ITS FLAGGING ECONOMY.

19. THE SOVIET UNION HAS ALSO INCREASED MILITARY SUPPLIES TO THE PALESTINIANS, WHO ARE EBUILDING THEIR FHTING STRENGTH IN LEBANON AND STOCKPILING MORE ARMS. THE PALESTINIANS HAVE REPORTEDLY EVEN RECEIVED SOME SOVIET ARMORED PERSONNEL CARRIERS (BMP'S) WITHIN RECENT MONTHS. THE SOVIET UNION DOES NOT APPEAR, HOWEVER, TO BE INCREASING ITS MILITARY SUPPLIES TO VARIOUS GROUPS IN LEBANON ACROSS THE BOARD. RATHER, IT PROVIDES LIMITED QUANTITIES OF EQUIPMENT, OFTEN IN SURGES, TO VARIOUS GROUPS TO MAINTAIN THEIR COMPETITIVE PARITY AND TO PREVENT ANY GROUP FROM GAINING AN OVERWHELMING, DECISIVE MILITARY ADVANTAGE.

20. WHILE THE SOVIET MILITARY ATTACHE DID MAKE A PRESENTATION ON THE HISTORY OF THE RED ARMY TO THE LEBANESE FORCES COMMAND CDUNCIL IN JANUARY 1985, THIS APPEARS TO HAVE BEEN AN ISOLATED EVENT. IN GENERAL, THE SOVIETS DO NOT MAINTAIN CLOSE CONTACT WITH THE CHRISTIAN MILITIAS IN EAST BEIRUT. THEY DO, HOWEVER, MAKE OCCASIONAL COURTESY CALLS ON KEY CHRISTIAN FIGURES SUCH AS FORMER PRESIDENTS CHAMDUN AND FRANJIYYAH.

CONCLUSION

21. THROUGHOUT MOST OF THE ELEVEN YEARS OF FIGHTING IN LEBANON, THE SOVIET UNION OPERATED HERE WITH RELATIVE IMPUNITY FROM TERRORIST OR OTHER SECURITY THREATS. INDEED, WHEN MANY OTHER FOREIGN OFFICIALS AND PRIVATE CITIZENS FLED WEST BEIRUT, THE SOVIETS CONTINUED TO

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FUNCTION MORE OR LESS NORMALLY. SINCE THE DEPARTURE OF PALESTINIAN FORCES FROM BEIRUT IN 1982, HOWEVER, THE SECURITY SITUATION GRADUALLY DETERIORATED FOR THE SOVIETS AS WELL. OVER THE PAST YEAR, AS DEMONSTRATED BY THE ABDUCTION OF FOUR SOVIET OFFICIALS LAST SEPTEMBER, THE SECURITY SITUATION DETERIORATED EVEN FURTHER, AND THE SOVIETS ARE NOW EXPERIENCING PRESSURES SIMILAR TO THOSE FELT BY OTHER FOREIGNERS EARLIER IN THE WAR.

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22. THE ROOT CAUSE OF THIS NEGATIVE SHIFT IN THE SOVIETS' POSITION APPEARS TO BE THE WAVE OF ISLAMIC FUNDAMENTALISM AND TERRORISM WHICH BURGEONED IN WEST BEIRUT FOLLOWING THE DEPARTURE OF THE PALESTINIAN FIGHTERS. THESE ISLAMIC FUNDAMENTALISTS CONSTITUTE A NEW AND QUALITATIVELY DIFFERENT THREAT TO THE SOVIETS, WHOM THEY VIEW, AT THE IDEOLOGICAL LEVEL, AS REPRESENTATIVES OF A GODLESS STATE. THIS IDEOLOGICAL CONFLICT IS FURTHER AGGRAVATED BY THE SOVIET OCCUPATION OF AFGHANISTAN AND SOVIET SUPPORT FOR IRAQ AGAINST IRAN, THE SEAT OF SHIITE FUNDAMENTALISM.

23. THE SOVIET UNION'S RESPONSE TO THIS NEW THREAT HAS PARALLELED THAT OF OTHER FOREIGN GOVERNMENTS HERE, I.E., TIGHTENED SECURITY MEASURES FOR THEIR PERSONNEL AND FACILITIES, REDUCTIONS IN THE QUANTITY OF PERSONNEL EXPOSED HERE, AND POSSIBLY, THE FUTURE TRANSFER OF SOME EMBASSY OPERATIONS TO EAST BEIRUT.

24. WHILE MAKING SOVIET PRESENCE IN WEST BEIRUT MUCH RISKIER, THE TERRORIST THREAT HAS NOT, HOWEVER, TOTALLY IMPAIRED THE SOVIETS' ABILITY TO FUNCTION THERE. WITH THE POSSIBLE EXCEPTION OF IRAN, THE SOVIET UNION MAINTAINS THE MOST ACTIVE OFFICIAL PRESENCE IN WEST BEIRUT. IT HAS BEEN ABLE TO CONTINUE ITS GENERAL POSTURE IN LEBANON, I.E., GIVING SYRIA WIDE RANGING FREEDOM OF ACTION WHILE SIMULTANEOUSLY MAINTAINING DIRECT CONTACTS WITH LOCAL GROUPS SUCH AS THE PSP, LCP, AMAL, AND THE FATAH PALESTINIANS. AS REPORTED ELSEWHERE, THE LATTER ARE RETURNING TO BEIRUT IN INCREASING NUMBERS. TO SOVIETS HAVE ALSO BEEN ABLE TO MAINTAIN, WITH RELATIVE EASE, THEIR REGULAR CONTACTS WITH THE PRESIDENT, PRIME MINISTER, AND OTHER GOL OFFICIALS. IN SUM, THE SOVIETS ARE STILL ACTIVE IN LEBANON, BUT THEY ARE EXERCISING MUCH GREATER CAUTION.

MCNAMARA

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Patterns of Middle Eastern Terrorist Operations in Europe:

The Palestinians -- INR Remarks to the Visiting French
Counterterrorism Delegation, 17 June 1986.

Introduction

Middle Eastern terrorism in Europe has increased dramatically in recent years, not only in terms of numbers of incidents but also in numbers of casualties. In 1985 there were about 75 Mideast-related attacks in 14 European countries resulting in over 60 dead and more than 500 wounded. One of the most alarming characteristics of Mideast terrorism in Europe is that it is increasingly indiscriminate, witness the attacks on El Al at Rome and Vienna, the bombing of TWA 840 over Greece, LaBelle disco, and the series of bombings in Paris in February and March this year to free Arab prisoners.

Another troublesome development is that many of these indiscriminate attacks involve Western rather than Arab targets. Indeed, 1985 saw a sharp rise in the number of Middle Eastern attacks in Europe directed against Western interests. There were about 20 such attacks in 1985 compared to about 30 for the entire period 1980-1984.

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But while we can describe the pattern and characteristics of the so-called Mideast terrorism "spillover" problem in very broad terms, we know much less about the problem at the operational level. We are dealing here with a very separate category of terrorist operation -- the transnational attack which, unlike the domestic terrorist attack, generally involves border crossings and significant travel by the terrorists. How are these transnational terrorist attacks conducted? What are the various mechanisms, methods and support structures used by the terrorists?

This afternoon I want to talk briefly about some of the operational patterns and characteristics we see evidenced in Mideast attacks in Europe. For purposes of organization, I will discuss the Palestinians, and my colleague Janet Hall will discuss the operations of Libyans and Iranians. My discussion of the Palestinian operations will focus on three groups Abu Nidal, LARF, and the PLO.

Abu Nidal

Most of the Palestinian terrorism in Europe is carried out by the Abu Nidal Group. The organization's European operations frequently originate in Damascus. This was, for example, the

point of departure for the commandos involved with the Rome and Vienna airport attacks, the terrorist who bombed the British Air office in Rome in September 1985, and a terrorist arrested with explosives at Frankfurt Airport in February 1985 and subsequently identified as an Abu Nidal member. Beirut has also been used as a point of departure as was the case with the three terrorists who hijacked the Egypt Air flight to Malta.

The next stop on the circuitous route to the target is often an Eastern European state. Yugoslavia appears popular. The attackers of the Rome airport landed there, as did the Rome British Air assailant, and the three Egypt Air hijackers. We find this pattern interesting in light of reports that the Abu Nidal Group has maintained a support infrastructure in Yugoslavia. The commandos who attacked the Vienna airport transited Budapest. We have only scant reporting on East bloc support for Abu Nidal -- for example that Bulgaria has assisted the group logistically on several occasions and that the head of the group's European operations resides in a bloc country and likely travels on a diplomatic passport.

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To enter the target country terrorists generally use a passport that does not require an entry visa. After arriving in the target country by train or other means, Abu Nidal terrorists make contact with local members of the group who brief them on their specific target and help them obtain their cached weapons. We know little more about this in-country support and command infrastructure. For example, are indigenous European groups, rightwing as well as leftwing, involved? If so in what way?

One aspect of the Abu Nidal's logistical support that is clear, however, is the evidence of Libyan aid for European operations. For example:

--Recent forensic evidence indicates that the grenades used in the Rome and the Vienna attacks, the Cafe de Paris attack in Rome in September 1985 and the Egyptian Air hijacking were from the same lot as those supplied by the Libyan People's Bureau in Turkey for the aborted Libyan attack on the US officers club in Ankara in April.

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--On September 22, 1985, British police arrested two Abu Nidal members who had collected a parcel containing four grenades and a number of detenators from a Libyan student. The student had obtained the explosives from the Libyan Airlines office at Heathrow at the request of Libyan officials in Tripoli.

--Libya provided the three Tunisian passports used by the Vienna airport terrorists.

--Although the means used to place weapons on board the hijacked Egypt airline have not been determined, we note that the head of the Athens Libyan People's Bureau and his chief of security reportedly were seen at the Athens airport during and after the departure of the aircraft.

LARF

Although not a Palestinian group per se, the Lebanese Armed Revolutionary Faction (LARF) is clearly sympathetic to the Palestinian cause and remains of great concern to the US,

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despite its recent targeting shift. Perhaps the most interesting aspect of the LARF and its European operations is its web of terrorist connections.

LARF is involved in and may be the driving force behind the Committee for the Defense of Arab and Middle Eastern Political Prisoners in Europe, the group responsible for a spate of bombings in France and most recently against an Italian target in Beirut. Its demand for the release of Armenian terrorist Garbidjian and Iranian agent Naccache held in France as well as for several of its own members, suggests on the surface that LARF, Hizballah and ASALA may be working together. One can make a circumstantial case for this: All are based in Lebanon; the Islamic Jihad has issued a communique sympathetic to ASALA; we have a report that ASALA and LARF share training facilities in Lebanon. Yet, what is the reality? Is there truly a terrorist triumvirate at work under the auspices of the Committee for the Defense?

What is LARF's relationship in Europe with the PFLP-Special Command, a group which like LARF traces its origin to Wadi Hadad and the PFLP? The PFLP-SC appears to have a support

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structure in Madrid where LARF also reportedly maintained a safehouse. The PFLP-SC has a relationship with Yugoslavia and LARF rented apartments there. We have been told that among the items found in LARF leader Abdallah's possession was a telephone number for the PFLP-SC man in Belgrade.

What is LARF's relationship with indigenous European terrorists? LARF has, for example, used Action Directe's printing facilities. Its leader supposedly trained with the Red Brigades in the late 1970s. Both LARF and the Red Brigades separately claimed responsibility for the February 1984 assassination of Leamon Hunt, an attack which occurred at a time when LARF probably had a safehouse in Rome and when several members of the group had just departed the city.

PLO

Despite the increase in Middle East-related attacks on Western targets, most of the Middle East violence on the continent remains internecine. In 1985 various arrests and intelligence reports revealed a complex PLO network in Europe

used primarily to attack Syrian interests, but also linked to the Achille Lauro hijackers and more tenuously to the November bombing of a US PX in Frankfurt.

Nearly all of last year's anti-Syrian operations involved Ali Mohammed Hamdam, a major in Arafat's Force 17, who was based in Rome until his arrest there in July 1985 for possession of false passports. Hamdam is connected to a number of operations or attacks.

--His fingerprints were found on a bomb discovered June 3, 1985 at the Syrian Embassy in London.

--He rented an apartment later used by two Force 17 members who had plans to attack the Syrian Embassy in Madrid, but were arrested by Spanish authorities.

--His Italian identity cards were identical to those found on two Palestinians arrested by Swiss police for anti-Syrian attacks in Geneva in April 1985.

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--He was identified as the source of explosives for a drug smuggler arrested in Belgium in December 1985 who was planning to provide the explosives to other Arabs.

Hamdam's -- and by implication Force 17's -- link to the Achille Lauro comes from the fact that the numbers on his false Moroccan passport were very close to those of the hijackers. Moreover an individual linked to Hamdam was identified by the hijackers as the source of their passports.

We remain concerned about a single tenuous but undeniable link between Force 17 and the unresolved bombing of our PX in Frankfurt. One of the Force 17 members arrested in Madrid in July 1985 had a Moroccan passport number close to that used by the unidentified renter of the car used in the PX bombing.

In closing, I want to suggest that we see Palestinian terrorism in a period of transition from which it could emerge in a more dangerous form.

Abu Nidal. The demise of the peace process, while very much to his liking, ended a period generally dominated by anti-Jordanian and - moderate Palestinian activities. Where will he turn next? Were the attacks against El Al in Rome and Vienna a preview of increased attacks on Israeli/Jewish targets? Will he turn his attention increasingly on release of his jailed comrades in Western Europe -- a move that would necessarily involve even more attacks against Western targets? Abu Nidal now apparently has two sponsors, both of whom are under increasing Western pressure to cease their support for him. How will this affect his relations with them and his operational activities? Will he take greater pains to insure that his attacks cannot be traced back to a specific patron? The possibility that the group will become even more sophisticated in its operations is of great concern.

The PNSF. Two members of this Syrian-backed organization, Abu Musa and the PFLP, are, according to various reports, considering operations against Western targets in Europe, after focussing mainly on attacks against Israel in the so-called occupied areas. One, Abu Musa, may already have begun, as he is suspected of bombing TWA 840.

15 May Organization. The status of this organization is unclear. There are reports that it is moribund, yet evidence of its sophisticated bomb making technology has appeared in several recent incidents, most notably the arrest of two Palestinians in Rome in October 1985 and the bombing of TWA 840. Has the group reformed after a period of reorganization brought on by its leader's fear of Israeli infiltration; has it shared its technology with other groups; or has it splintered, with members joining other groups or possibly forming an altogether new organization?

Fatah-Mainline PLO. Arafat has maintained his stance against attacks on Western targets outside the so-called occupied areas, despite increased pressure by hardliners in Fatah for international terrorism in the wake of the failed peace process. There are reports that disgruntled members of Force 17 may have offered their services to Libya and Syria and that Arafat has actually expelled members in favor of international terrorism. What impact would the addition of these new members have on the capabilities of pro-Libyan groups such as Abu Nidal? Would their addition give a group like Abu Musa a more international reach?

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506
November 3, 1986

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Deputy Natl Sec Advisor
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ACTION

MEMORANDUM FOR ALTON G. KEEL

FROM: OLIVER L. NORTH
ROBERT L. EARLE *E*
CRAIG P. COY

SUBJECT: Crisis Pre-Planning Group (CPPG) Meeting

You are currently scheduled to chair a CPPG meeting regarding Syrian support for terrorism on Tuesday, November 4, at 10:00 a.m. in the White House Situation Room. Attached at Tab I is the agenda which was distributed on October 29. At Tab II is an OSG working paper which contains potential options in response to Syrian support for terrorism. Suggested talking points for your use during the meeting are attached at Tab III.

We suggest a CPPG meeting on November 11, ^{Pres.} to make specific decisions on our options following the European Community (EC) Ministers' meeting on November 10. ^{Hard}

C for
Dennis Ross and Howard Teicher concur.

HT

RECOMMENDATION

That you review the attachments prior to your meeting.

Approve

Disapprove

Attachments

- Tab I - Agenda
- Tab II - Working Paper
- Tab III - Talking Points

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White House Guidelines, August 28, 1997
By *aw* NARA, Date *8/12/97*

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CRISIS PRE-PLANNING GROUP (CPPG) MEETING

Tuesday, November 4, 1986
10:00-11:00 a.m.
White House Situation Room

Syrian Support for Terrorism

- I. INTELLIGENCE UPDATE. CIA
 - A. Syrian Involvement in Hindawi Case
 - B. Syrian Progress on the Six Points

- II. DIPLOMATIC STEPS State
 - A. Report on EC Actions
 - B. Report on Bilateral Discussions
 - C. Likely Future European Actions

- III. U.S. OBJECTIVES. All

- IV. FUTURE U.S. ACTIONS. NSC
 - A. Range of Options Available
 - B. Unilateral or in Concert with Others
 - C. Timing
 - D. Likely Syrian Reaction
 - E. Congressional and Press Guidance

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White House Guidelines, August 28, 1997
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November 3, 1986

WORKING PAPER
SYRIAN TERRORISM AND USG RESPONSE

Background:

Our main objective is to get Syria to stop its use and support of terrorism. Because terrorism is such a fundamental instrument of Syrian policy -- and so central to its efforts to coerce and intimidate others in the region -- we should be under no illusions about the difficulty of our tasks.

Assad will not simply drop his use of terror, but his concerns about international isolation can lead him to look for ways to conciliate and to reduce the pressure on him. Thus, the central aim of our strategy should be to isolate Assad in every way -- to make it as difficult as possible for him to maintain an image of a responsible statesman while actively supporting covert terrorist operations. International isolation, which by definition requires multilateral action, is the sanction that Assad can least afford to ignore. It undermines regional ambitions, further diminishes the legitimacy of his minority Alawite regime, and removes some of the inhibitions that have restrained his enemies at home and abroad. While unilateral steps are required, many of which were accepted at the June 11, 1986 CPPG (Tab A), we need to continue the push for collective responses to Syrian terrorism.

The conviction of Nizar Hindawi for the attempted bombing of the El Al airplane directly implicated the Syrian government. The British government has broken diplomatic relations with Syria and is actively seeking European support for additional measures against Syria. To date, the response from the European Community (EC) has been lukewarm.

Initial U.S. Response:

Our response has been to encourage HMG to take the lead in garnering consensus. The withdrawal of Ambassador Eagleton did not evoke a strong response from the Syrian government which has signaled its desire to avoid a confrontation with the USG. Ambassador Bremer's round of consultations successfully portrayed our interest in working with our friends and Allies, while urging them to take definitive measures against Syria. Bremer's Terms of Reference (TOR) are at Tab B. A British demarche requested



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Current Syrian Situation:

Syria's internal situation is not significantly different from the assessment in the June 9 paper and, if anything has deteriorated. Assad's domestic control, kept in place by an extensive and ruthless Praetorian guard, is strong and presents few opportunities to encourage internal or dissident opposition to Assad's regime. However, there have been recent reports on his poor state of health that may restrict his activities.

Economically, Syria experiences mounting problems as a result of a combination of factors. A failed industrialization strategy of building export-oriented industries has left Syria with even more reliance on its oil sector. Due to credit shortages and political imperatives, Syria has shifted its trade from EC countries toward the Communist bloc. On top of these fundamental problems, Syria suffers from a severe liquidity crisis with approximately \$100 million in cash or a week's worth of imports. Boosting exports is difficult since oil, which provides nearly two-thirds of all hard currency earnings, is needed for domestic consumption. In fact, last year Syria actually purchased more oil abroad than it sold.

Options:

Our objective remains -- curtailing Syrian support for international terrorism. Drawing from the previously approved list of options, our objective can best be supported by a combination of activities. The U.S. has at least two levers for influencing Syrian behavior. First, unlike Qadhafi, Assad cares about being perceived by other governments as a responsible international actor. He is committed to the Palestinian struggle and opposing Israel, but does not want to be seen as an international outlaw. Second, while his relationship with the U.S. will remain tense because of our commitment to Israel, he does not want an open rupture and certainly does not want military tensions or economic sanctions.

The following diplomatic, public information, economic, and military options should be considered for recommendation to the President. [REDACTED] will be coordinated separately.

Diplomatic:

- Long-Term Options
 - Continue withdrawal of ambassador.
 - Restrict Syrian diplomats' movement in U.S.

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- Require secondary immigration/customs inspections of all Syrians.
- Slowdown/stop visas and consular services for Syrians until USG is satisfied Syria no longer issues passports to international criminals, drug runners, and terrorists.
- Short-Term Options
 - Continue bilateral discussions with other nations on Syria's role in terrorism through exchange of intelligence.
 - Call for special Experts Meeting of Summit Seven on Syrian involvement in international terrorism.
 - Seek resolution condemning Syria's role in the El Al bombing attempt in UN and ICAO.

Public Information:

- Coordinate statements by USG officials acknowledging Assad's involvement in terrorism.
- Publish of a "Syrian White Paper" with detailed chronology of Syrian involvement in and support of international terrorism.
- Approved background briefings on role of Syrian intelligence and diplomatic facilities in terrorism.
- Schedule a series of interviews by U.S. officials on Worldnet for broadcast to Europe.
- Urge International Aircraft Pilots Union to condemn Syria's role in terrorism directed at civil aviation.
- Encourage American representatives to the International Air Transport Association (IATA) meeting this week to identify Syria's role in terrorism directed at civil aviation.

Economic:

- Announce publicly rescission of credit for grain sales to Syria.
- Press for reduction of commercial ties by U.S. firms, particularly the PECTEN Petroleum Company. (If done now, it would overlap the January 1987 effect of Grassley Amendment restriction on tax credits to companies doing business with countries on the terrorism list.)

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- Urge reduction of trade credits to Syria and withdraw Most Favored Nation (MFN) status.
- Urge boycott of Syrian oil.
- Review U.S. exports to Syria in preparation of potential trade embargo.
- Remove Generalized System of Preferences (GSP) eligibility.
- Ban all sales of arms, aircraft spare parts, and sophisticated equipment (COCOM).

Military:

- Conduct Freedom of Navigation (FON) exercise off the coast of Syria.
- Barring a spectacular "smoking gun," no U.S. military action is foreseen, although planning and target identification should proceed as a prudent contingency activity.

Summary:

The success of our efforts to curtail Syria's support for international terrorism will largely rest on multilateral support. To the extent HMG's lead in persuading Europeans to identify and condemn Syria's involvement succeeds, our unilateral measures will carry more impact. In order to preclude any signal of unwelcome U.S. pressure prior to the EC's November 10 meeting, our decision to act and the specific measures directed by the President should await their final action. It would be appropriate to share privately our intentions with the British, who, as EC President, could nudge the other participants. Initial indications are that the EC will agree to the following actions:

- Restrictions in arms sales.
- Restrictions on high-level contacts.
- Closer monitoring of Syrian embassies.
- Tighten security controls on Syrian Arab Airline (SAA).

Attachments

- Tab A - Working Paper of June 9, 1986
- Tab B - Bremer's Terms of Reference

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CRISIS PRE-PLANNING GROUP (CPPG) MEETING

Tuesday, November 4, 1986
10:00-11:00 a.m.
White House Situation Room

Syrian Support for Terrorism

I. INTELLIGENCE UPDATE. CIA

- A. Syrian Involvement in Hindawi Case
- B. Syrian Progress on the Six Points

II. DIPLOMATIC STEPS State

- A. Report on EC Actions
- B. Report on Bilateral Discussions
- C. Likely Future European Actions

III. U.S. OBJECTIVES. All

IV. FUTURE U.S. ACTIONS. NSC

- A. Range of Options Available
- B. Unilateral or in Concert with Others
- C. Timing
- D. Likely Syrian Reaction
- E. Congressional and Press Guidance

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June 9, 1986

WORKING PAPER
Syrian Terrorism and USG Response

BACKGROUND:
Syria and Terrorism

Syria is clearly linked to international terrorism. During the last three years, Syria has changed markedly the nature of its involvement from its previous use of its own operatives to attack opponents of the Assad regime at home and abroad. Since early 1983, however, Damascus has turned increasingly to surrogate groups: Syrian-supported groups have been involved in at least 75 attacks against Jordanian, U.S., Palestinian, and Israeli targets (Tab A).

The attempted El Al bombing in London and the German-Arab Friendship Union bombing in West Berlin provide the strongest evidence of direct Syrian involvement in terrorism in Western Europe since the early 1970s. Syrian-supported groups have attacked U.S. facilities in the Middle East 11 times since 1983, and attacks by Abu Nidal operatives have killed or wounded over 100 U.S. citizens during this time.

Syrian involvement in terrorism is authorized -- at least in general terms -- by President Assad. He relies on a select group of trusted lieutenants to implement policy, often ignoring formal institutional lines of authority; Syrian involvement in terrorism follows the pattern of the President's personalistic style of work.

- Military Intelligence Chief Ali Duba reportedly dispatches Palestinian terrorist squads to Arab and West European countries.
- Air Force Intelligence Chief Muhammad al-Khuli's involvement in terrorism is well-documented and he was probably involved in the El Al operation. (Nizar Hindawi, the perpetrator of the attempted El Al bombing, identified an aide to Khuli as one of his points of contact.)

Finally, the Syrians run training camps and provide support, diplomatic cover, and facilities for numerous terrorist organizations in Syria, Lebanon, and elsewhere.

Current Syrian Situation

Syria has a significant military presence in Lebanon and, despite drawdowns on troop levels, their military construction activities have led to increased tensions between Syria and Israel. The U.S. raid on Libya reportedly raised Assad's concern for the quality of his Soviet-supplied air defenses as well as anxiety over a possible U.S. attack on Syria.

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Syria's substantial Soviet military commitment is much more developed than Libya's tie to the Soviet Union. This fact, coupled with Assad's demonstrated willingness to take limited military action even when the outcome is likely to be unfavorable, makes U.S. military options much more difficult.

Economically, Syria is performing well below potential. Real GNP has declined over the past three years and Syria's balance of trade remains heavily in deficit. Although resources are scarce, the government continues to mobilize funding for an ambitious economic development program at the same time it spends over 50% of its budget on the military. Syria will be stressed to maintain this level of military spending.

Syria's imports exceed exports by a factor of nearly 2 to 1, and Syria has been running a current account deficit of around \$1.9B for the past 5 years. As a result, Syria's hard currency reserves have been significantly reduced; estimates of hard currency holdings are less than \$200M or only 20 days worth of civilian imports. Boosting exports is extremely difficult since oil, which provides nearly two-thirds of all hard currency earnings, is needed for domestic consumption. In fact, last year Syria actually purchased more oil from abroad than it sold.

Syria is able to tap three major sources of foreign exchange to offset its chronic trade deficit:

- Foreign Grant Aid: Under the Baghdad Accord, Syria was allotted \$1.8B per year from other Arab states, but the drop in oil revenues will provide only \$800M this year. Iran continues to supply oil on a concessional basis.
- Worker Remittances: Payments sent home by Syrians abroad amount to approximately \$500M annually.
- Foreign Lending: World Bank statistics attribute about \$2.7B in outstanding debt and Syria's credit rating continues to decline.

Syria also has limited but important commercial relations with the European Community (EC):

- Syria exports (mostly oil) about \$600M annually, and the EC provides approximately 18% of Syria's food imports.
- Western banks provide trade credits and the Syrian Foreign Commercial Bank maintains banking relationships with most major Western banks, including U.S. institutions.
- The Syrian Arab Airline services Western carriers (Air France, Swiss Air, Lufthansa, KLM, Al Italia, and the Austrian airlines) who fly into Damascus.

In conclusion, Syria's poor economic performance, its burdensome military commitments, and Assad's poor health combine to create significant vulnerabilities for the Syrian regime. However, it would be wrong to underestimate Assad's skill at maintaining a balance of power among the various factions that compete for power. His close ties to the Soviets make policy options for Syria very different from Libya.

OPTIONS

Our objective, curtailing Syrian support for international terrorism, can best be supported by a combination of diplomatic, public information, economic, [redacted] and as a last resort military activities. The Tokyo Summit Declaration provides an opportunity for a cooperative effort with our allies -- if they can be quietly convinced of Syria's culpability in terrorist activity.

While there are lucrative targets for military action against Syria, the realities of the situation (Soviet presence and commitments, and risk to U.S. personnel) obviate a repetition of the Libyan raid. Our immediate steps should be coordinated efforts to increase our collection of information about Syrian involvement in terrorism (e.g., closer scrutiny of activities of Syrian diplomats), which also "send a message" to Assad (i.e., "we're cracking down on your support to terrorism").

The menu of options available should be considered as a range of unilateral and multilateral approaches to persuade Syria to abandon terrorism as too costly. All of these options must be weighed against our broader interests in the region and Syria's role in those issues.


Diplomatic

- Expand discussions with Summit Seven on Syrian involvement in terrorism.
- Slowdown/stop visas for Syrians to U.S.
- Continue bilateral discussions with allies on Syria's role in terrorism.
- Urge the Summit Seven countries to deliver demarches to Damascus vis-a-vis Syria's support for terrorism.
- Monitor cross-border travel of Syrians.
- Recall Ambassador Eagleton "for consultations."

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Diplomatic

- 
- Formally downgrade diplomatic representation.
- Prohibit/restrict U.S. travel to Syria.
- Reduce size of Syrian diplomatic missions.
- Exploit Syria's position as the Soviet's major client in the Middle East by emphasizing to the Syrians the Soviet's lack of support in Libya.
- Recall U.S. Ambassador indefinitely. *// Withdrawn - done*
- Seek expulsion of Syria from international organizations.
- Break diplomatic relations.

Public Information

- Coordinated statements by USG officials acknowledging Assad's involvement in terrorism.
- Publication of a "Syria White Paper" with detailed chronology of Syrian involvement in and support of international terrorism.
- Background briefings on role of Syrian intelligence and diplomatic facilities in terrorism.

Economic

- Press for reduction of commercial ties by U.S. firms, particularly the PECTEN petroleum company.
- Monitor and report Syrian front organizations supporting terrorism.
- Monitor and report Syrian financial transactions.
- Ban sales of arms, spare parts, and sophisticated equipment (COCOM).
- Urge reduction of trade credits to Syria.
- Urge boycott of Syrian oil.



Military

- Barring a spectacular "smoking gun," no U.S. military action is foreseen, although planning and target identification should proceed as a prudent contingency activity. (If the April 15 U.S. airstrike on Libya was what got Assad's attention, we must ensure that the veiled threat of such action against Syria is credible.)

Summary

In order to ensure that our policy fits the circumstances pertaining at any particular time, the options above would be implemented in phases. Before any action is taken, its effect would be weighed against the possibility of actually causing additional terrorism. Assad is being very careful in response to U.S. pressure, in both word and deed. We need to see if this is a short-term tactic or whether, as in the case of Iraq's Sadaam Hussein, he can be persuaded to abandon international terrorism. These options are intended to apply increasing levels of pressure on Syria, while including our allies in the effort to curtail Syrian terrorism.

Terms of Reference

I. Objectives:

a. To increase European cooperation for overall terrorism policies: Remains our over all objective. Have had credibility problem with Europeans who think we only wanted to bash Libya. Now have an opportunity to show that we oppose terrorism wherever it may be found.

b. Create a solid, united US-European front in responding to Syria: Unlike Qadhafi, Asad is sensitive to European opinion and will heed very seriously a concerted action by them and us.

c. Reinforce UK efforts with EC for a tough response: Intend to follow UK lead, particularly with EC, and support their efforts.

d. US to take lead in areas where UK wavering or their results not forthcoming: Must maintain flexibility to take initiative with other Europeans as appropriate.

e. Emphasize to Summit Seven members that concerted response is commensurate with Tokyo Summit resolutions on terrorism. Cables should be sent to Canada and Tokyo backing up Summit context.

II. What we should ask Europeans:

A. Political/Diplomatic Measures:

1. Demarches to Syria:

-- Call on each govt for tough demarches to SARG on basis of six points raised by Murphy with SARG in May, emphasizing termination of Abu Nidal presence.

2. Public Statements:

-- Call on each govt for strong public statement condemning Syrian support for terrorism and supporting UK response.

3. Anti-terrorism measures against Syrian missions abroad:

-- Recall ambassadors from Damascus.

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-- Reduce the size of official Syrian missions, giving particularly attention to military attaches and intelligence officers.

-- Impose on Syrian diplomats the same requirements levied by SARG on diplomats in Syria -- advance notification to MFA of travel outside the capital.

4. Travel restrictions for Syrian nationals:

-- Institute administrative delays on visa requests, and scrutinize applicants more carefully

-- Scrutinize Syrian passport holders to make sure they are Syrian nationals (i.e. eliminate passport abuse by terrorists).

-- Tighten travel advisory for Syria.

5. Ban arms sales.

B. Economic Measures:

1. Restrict Operations of Syrian Arab Airways (SAA):

-- Ban sale of spare parts

-- Ban maintenance contracts

-- Rescind or greatly reduce landing rights

-- As a fallback, greatly tighten security procedures for SAA flights and crews.

-- Rescind or severely restrict credits.

2. Rescind all special trade concessions.

3. Stop foreign aid (e.g. Italy).

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TALKING POINTS

CPPG Meeting re Syrian Support for Terrorism

Tuesday, November 4, 1986
10:00-11:00 a.m.
White House Situation Room

PURPOSE

- At the June 11, CPPG a list of potential actions were agreed upon as measure for reducing Syrian terrorist activity.
- Because of the verdict of the Hindawi trial we need to consider what can be done to deter Syria's continued support of terrorism.
- Review and confirm our understanding of Syria's support and involvement in terrorism.
- Review the current situation with HMG's initiative for coordinated measures following the Hindawi trial.
- Agree upon steps which can influence Assad's calculus and behavior.

INTELLIGENCE

- Dick Kerr will you review our intelligence of Syria's support for terrorism?
- Is there any disagreement?
- Assess most of Syria's relations with key Arab States.

DIPLOMATIC STEPS

- Jerry Bremer, could you discuss your recent trip to Europe and your assessment of future European action?
- What does HMG expect from the USG?
- Can we expect serious non-European actions?

OBJECTIVES

- Long-term
 - Stop Syrian use and support of terrorism
 - *Middle East Peace*
 - Institute progressive measures to isolate Assad
 - Act in concert with Allies as much as possible

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- Short-term
 - Reduce Syrian influence in southern Lebanon
 - Encourage the release of our hostages
 - Avoid unfair or onerous impact on U.S. companies

U.S. ACTIONS

- Need to look at range of options for President to consider.
- Need to avoid sending contradictory signals to Libya and Syria.
- Timing of any action and the degree of consultation is important.
- Let's go through the various diplomatic, public information, economic, and military actions and add or subtract from those listed.
- I will call another CPPG for November 11, to make specific decisions and recommendations to the NSPG.

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