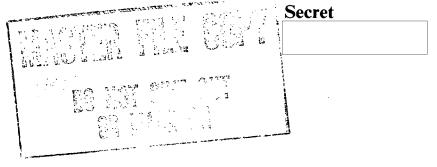


Directorate of Intelligence



Libya's Qadhafi: Vulnerabilities and Prospects

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An Intelligence Assessment

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An Intelligence Assessment

This paper was prepared by of the Office of Near East-South Asia Analysis. It was coordinated with the Directorate of Operations and the National Intelligence Council.

Comments and queries are welcome and may be directed to the Chief, Arab-Israeli Division, NESA,

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Libya's Qadhafi: Vulnerabilities and Prospects

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Key Judgments

Information available as of 1 April 1983 was used in this report. The only serious challenges to Qadhafi come from the domestic sector. Either a military coup or a power play against Qadhafi from within his inner circle could unseat him, and Qadhafi remains vulnerable to an attack by a lone assailant. We believe, however, that Qadhafi's security system is more likely than not to block such an attempt, at least in the short run.

Qadhafi is compulsive in his concern for his security, skilled in techniques that ensure his survival, and endowed with an able security service that obtains cooperation through intimidation if nothing else. His outrageous policies stimulate dissent, but Libya's repressive atmosphere discourages its expression. In sum, the odds favor his continuing in power for at least the next few years.

Qadhafi's insistence on instituting political, social, and economic "reforms" that do violence to traditional Libyan ways has alienated most segments of society—even large portions of the lower classes that have benefited most from his rule. For example:

- His own tribe may be growing disillusioned with his leadership.
- Growing disaffection within the military has prompted widespread plotting and repeated coup attempts against the regime, all foiled by informers or by Qadhafi's efficient security services.

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• Qadhafi's increasing estrangement from the colleagues who helped bring him to power has exposed him to moves by men he formerly trusted.

The only known organized opposition to Qadhafi—as opposed to the ad hoc plotting we have seen in the military—exists in the exile community, but the exile groups do not at the moment pose a serious threat to the regime. They have had a strong psychological effect on Qadhafi, however, spurring him to initiate an assassination campaign against exiles in 1980 and to threaten another last fall.

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Although hardline US policies have on occasion intimidated Qadhafi and have probably been partly responsible for a reduction in his involvement in international terrorism, Qadhafi has at times been able to turn them to his advantage:

- They allow Qadhafi to generate sympathy both at home and abroad by posing as the victim of an implacable superpower, thus mitigating some of Libya's domestic disaffection and international isolation.
- They feed Qadhafi's ego, which delights in confrontation and attention.
- They have occasionally caused the United States trouble with its allies and adverse international publicity.

Qadhafi's vulnerabilities play into the hands of the Soviets. There has been a rough parallel between his declining popularity at home and failed policies abroad, and his willingness to turn to the Soviets for security and intelligence assistance, diplomatic support, and defense.

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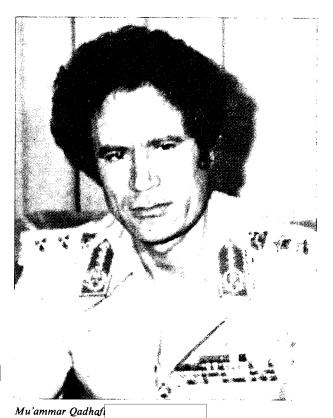
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Libya's Qadhafi: Vulnerabilities and Prospects

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Qadhafi is a man beset by problems that his policies continually compound. He has undermined his domestic position by ramming through "reforms" that do violence to traditional Libyan practices and deeprooted beliefs. Most significantly, from the point of view of his continuation in power, he has alienated large numbers of the military by pursuing foreign adventures unrelated to the national interest, disregarding the military hierarchy, and raising the possibility of disbanding the military as an institution. He has also whittled away at the loyalty of his own inner circle, partly by the adoption of misguided policies and partly by his preference for advisers and confidants who feed his impulses toward excess. By turning his back on the colleagues who helped bring him to power, he has rendered himself doubly vulnerable. He has deprived himself of the moderating advice of those who, at least on occasion, have shown some willingness to put the country's interests ahead of their own; at least two of his colleagues have reportedly been willing to argue against his more radical policies. Secondly, he has exposed himself to possible moves against him by those he formerly trusted.

Such internal problems—growing popular unhappiness, dissidence within the military, and strained loyalties and rivalries within the regime—constitute the greatest threats to Qadhafi's hold on power, but they are by no means the only threats he faces. So many Libyans—most of them educated, middle class professionals-have fled the country over the years that there is now a sizable and growing body of dissidents in exile, primarily in West European countries but also in Cairo and Rabat. These men are largely incapable of acting directly against him, though some of the exile groups show signs of trying. Nonetheless, their continued activity preys on Qadhafi's mind, perhaps because they collaborate with countries eager to see Qadhafi's demise. Qadhafi must also worry about direct military action against him, not so much from his immediate neighborsthese Qadhafi probably figures he could contain—but on the part of a hostile Israel suspicious of Libya's nuclear reactor, or a United States willing to act alone or to throw its military might behind Egypt.



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Qadhafi faces other problems caused by the soft world oil market. He could worsen these problems—as he did in the early days of the oil glut in 1982 when he kept Libya's oil at unrealistically high prices and saw his market evaporate. He has since eased the situation

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by cutting prices. If the present oil price structure continues to crumble, Qadhafi's problems will go beyond a readjustment of market strategy.

Popular Disaffection

Qadhafi has made himself vulnerable to political overthrow by pursuing policies that have stirred growing resentment on the part of virtually every class within Libyan society. The problem has grown acute primarily in the last four years, perhaps as a result of the effect on Qadhafi of the example of the Iranian revolution. Until that time Qadhafi moved with relative caution, possibly because his own revolutionary thinking had not jelled (the first volume of the Green Book, Qadhafi's blueprint for transforming society, was not published until 1976, the second in 1978, the third in 1979). Even so, Qadhafi showed himself willing to defy traditional Libyan practices, launching in 1973 the system of "people's committees"—groups elected by the people to run Libyan organizations at all levels—and in 1977 forming his "revolutionary committees" as watchdogs of the revolution.

Qadhafi's most unpopular reforms have been in the economic sphere. The initial moves tended to strike primarily at the middle class—the confiscation of houses not occupied by their owners, the takeover of many businesses by their employees, and the nationalization of import industries. But as more radical measures were adopted, the circle of those affected grew. After the nationalization of the traditional sugs (small shops) dispossessed their middle class owners, all consumers were forced to shop in state-owned department stores, where long lines and shortages became facts of life. Individual savings above a certain minimum (variously reported, but possibly as low as \$3,380) were blocked—in effect confiscated by the regime—in a move that reached the lower classes as well.

All orders of society were hit by problems caused by a faltering oil market and declining oil revenues in 1982. A spate of reporting throughout that year stressed Libya's generally deteriorating economic situation and the popular demoralization that resulted. Prices of basic food items reportedly jumped; 2 staples

became unavailable or in short supply; municipal services deteriorated. Perhaps because these problems gave the regime enough to contend with, it backed off from a program announced in December 1981 to compress wages by enforcing a countrywide wage scale. The government instead cut all workers' salaries by perhaps 15 percent in late 1982, presumably to reduce disposable income and dampen demand for consumer imports.

Qadhafi's most ruthless—and resented—measures have not been reforms at all but attempts to imbue society with his own brand of revolutionary fervor and extirpate dissenters. He may have been impelled by frustration; after 10 years in power, he had largely failed to stir the Libyan people from their customary practices. He may have been moved by jealousy; the seizing of the US Embassy in Iran in November 1979 turned the international spotlight on that revolution, which involved a radical transformation of the country. In any event, in 1980 he turned to the existing revolutionary committees, previously not particularly active, and gave them a key role in organizing massive purges and corruption trials that involved thousands of arrests, some of them of influential businessmen, high government officials, and senior military officers.

Denounced by revolutionary committee members, these people were rounded up, tried before special tribunals also composed of revolutionary committee members, and sentenced. Some, after dramatic televised "confessions" much like the show trials in Iran, were released; others vanished. At the same time, the regime launched a campaign of murders of dissidents abroad. Eleven people in all were killed, and others, including children, were wounded. Many of the deaths were brutal and were clearly the work of amateurs—presumably overenthusiastic revolutionary committee members.

The regime apparently decided by late 1981 to put a stop to the corruption trials out of concern for growing public resentment over the purges. It also seems to have made sporadic efforts to rein in the revolutionary committee members. Even so, the populace still has cause to fear their excesses and those of other groups

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² According to press accounts, the price of sugar rose from nine cents to 25 cents per pound (200 percent), cooking oil went from \$1.02 to \$1.70 per can, and a can of tomatoes rose to 68 cents from 40 cents. Eggs reportedly went up 50 percent.

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close to Qadhafi.	
The purges, murders, and excesses of the revolutionary committees go a long way toward explaining the lack of organized opposition to Qadhafi inside Libya and point up the significance of the dissent that does crop up. Only the brave or the desperate are likely to take action in an atmosphere so repressive. Many of those who do are students—perennially idealistic and personally threatened by Qadhafi's conscription policies—and Muslim fundamentalists. Although our information is scanty, there seems to have been a clear pattern of increasing student activism in the past year, predictably followed by stepped-up regime repression.	
Qadhafi's quasi-religious ideology and willingness to flout traditional Muslim practices—particularly with respect to the role of women—probably have antagonized Libya's Muslim leadership, although only occasional indications of discontent surface.	Qadhafi has generally disregarded the wishes of the populace in ramming through his revolution, and with respect to the civilian sector he almost certainly is safe in so doing. Control mechanisms in Libya are omnipresent. The revolutionary committees, though somewhat more subdued than in their 1980 heyday, effectively stifle most manifestations of discontent. Undoubtedly extra surveillance is given by regime security forces to students, Muslim fundamentalists, and probably the Province of Cyrenaica as a whole since it is the center of tribal loyalty to the Sanusi religious order and the monarchy that stemmed from it and a traditional source of anti-Qadhafi sentiment.
A somewhat different—and potentially more serious—problem for the regime involves recent indications of increased activity on the part of radical Muslim groups.	Unarmed civilians are in any case unable to move effectively against the government, although the appearance of antiregime slogans on city walls—as they have in the past—could prove briefly embarrassing.

Libyan Economic Vulnerabilities

Qadhafi remains vulnerable to the vicissitudes of the international oil market. The potential scope of the threat was demonstrated in 1981 and 1982, when the soft oil market and Qadhafi's stubborn oil pricing policy triggered a sharp decline in the country's economic activity. Per capita income, which had reached \$11,000 in 1980, fell to \$7,900, according to the International Monetary Fund. Real GDP, which rose an average of 8.7 percent yearly during 1976-80, fell 21 percent in 1981 and another 4 percent in 1982. Libya's current account fell into deficit in July 1981, ending the year \$2.3 billion in the red. Tripoli reduced the deficit to \$500 million last year as imports were slashed by \$4 billion. Foreign exchange holdings plunged from a peak of almost \$14 billion in June 1981 to a low of \$6.3 billion in September 1982.

The regime's strong measures to control financial outflows in 1982 had significant domestic repercussions. Import restrictions were imposed in May covering a wide spectrum of consumer goods including food, a move that intensified food shortages that summer. Price increases of as much as 300 percent were slapped on some food and services. A cutback of the regime's grandiose development schemes had little impact on the public, who are shielded from unemployment problems by a large foreign labor force—40 percent of the total labor force—but dealt a shock to planners and managers used to seemingly unlimited funds.

Qadhafi compounded the problems caused by the international oil glut by his inflexibility on price, continuing to insist on \$40 per barrel for Libyan crude. By April 1982, however, it had become clear that the problem was not transitory, and Tripoli undertook an aggressive marketing program. It encouraged foreign equity producers to step up production by offering substantial price discounts; it tied repayment of obligations owed to firms in Italy and Turkey to new sales of oil; it arranged barter deals with Brazil, Italy, South Korea, and a number of East European countries; it entered processing agreements with foreign refiners, which gave Libya part of the proceeds of product sales. As a result, oil production leaped from

a low of 660,000 barrels per day (b/d) in February 1982 to 1.75 million b/d in December.

Libyan oil production was 1.1 million b/d in April 1983. We believe it is likely to average near 1.3 million b/d for the year despite Libya's 1.1-million-b/d OPEC quota. This level of production will result in a small current account deficit again this year if Libya can maintain an average price near the new official price of \$30.40 per barrel for its oil and if import growth continues to be curtailed. Given these assumptions, the Libyan economy should improve to the point that the domestic irritants of the past two years—shortages, price increases, severe import cuts—will diminish in 1983. In the longer term, Libya would find it impossible to complete its development plan, but this need not directly affect the bulk of the population.

Qadhafi continues to have the option of pursuing aggressive price discounting policies, although this course of action seems unlikely so long as Tripoli can maintain oil production and prices near official OPEC levels. A sharp price cut by UK or Nigerian producers would probably cause an equal or even more aggressive response from Qadhafi. Significant cheating within OPEC ranks would also impel the regime to adopt aggressive marketing policies at variance with official OPEC guidelines.

The regime could face severe economic problems this year if oil prices fell sharply. At the \$25 per barrel level, for example, Libya would face a projected current account deficit of \$4 billion in 1983 with production at 1.3 million b/d. Such a deficit would probably push the regime to cut imports even more to prevent depletion of its remaining foreign exchange reserves. A \$20 per barrel price would push the current account deficit to \$6 billion, given last year's import levels. Because foreign exchange reserves would be exhausted, the government would have to slash imports to bare essentials, economic priorities would have to be drastically reordered, and the development plan would certainly be scrapped. Although revenues would be sufficient to meet the basic needs of the country's small population, popular discontent with the regime would increase.

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Internal Threats

From the Inner Circle. In the past few years, Qadhafi seems to have turned increasingly to a younger, more radical group of advisers who have undercut the influence of the few remaining colleagues who helped bring him to power: Abd al-Salam Jallud, Mustafa Kharubi, Abu Bakr Yunis, and Khuwaylidi al-Humaydi—usually regarded as men who have exerted a restraining influence on Qadhafi's policies. The men who now have Qadhafi's ear seem to be

eager to encourage Qadhafi in his revolutionary excesses because they can solidify their hold on power and line their pockets.

Most members of this newly powerful group are Qadhafi's close relatives and fellow tribesmen—rough, barely literate, but unswervingly loyal to Qadhafi because they owe everything to him and would probably not long survive him. Often these individuals have no fixed position but do Qadhafi's bidding in matters he believes he cannot trust to others-

Probably the most influential of this group are Qadhafi's cousins, the two Qadhaf-al-Dam brothers, Sayyid

and

Ahmad, who may have the major role in Qadhafi's current campaign to intimidate the opposition abroad. Another longtime associate is Lt. Col. Hasan Ashqal, also a cousin of Qadhafi,

A key radical reportedly gaining in influence is Col. Khalifa Hunaysh, the commander of Qadhafi's security battalion, one of the top men in the country's intelligence and security apparatus;

Of the 12 original Revolutionary Command Council members who came to power with Qadhafi in 1969, only four remain—and three of them have seen their positions erode in the past two years. Jallud, who holds no formal title, is still referred to as Qadhafi's

second in command and acts as unofficial deputy, but the extent of his power has always been ambiguous. His position appears to have deteriorated following a coup attempt in May 1981 involving members of his tribe, the Magarha. Jallud's enemies were eager to use the incident against him by arresting his support-

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Intraregime rivalries are significant because they have resulted in the least able group of men rising to the top, magnifying the inefficiency of the regime, and because the increased scope given to the hard-liners ensures that Qadhafi's more ruthless tendencies will be encouraged, intensifying opposition to the regime. In terms of Qadhafi's staying power, the rivalry means that those on the outs will be more

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From the Military. Any of these men might move in conjunction with malcontents from within the military. Disaffection in the ranks of the military is mounting. It has suffered the consequences of Qadhafi's determination to intervene in Uganda and Chad, both times at the cost of heavy casualties. When the regime decided in 1979 to apply its system of revolutionary committees to the armed forces, young zealots were elevated over the heads of senior officers—a step that guaranteed serious discipline and morale problems. In addition, high-level officers were among those arrested and executed during the 1980 purges, and the military has been the primary target of the waves of arrests following the many actual or suspected coup plots. Men involuntarily inducted into the military have even more cause for complaint, given recruiting methods that frequently involve deception.	the Libyan National Salvation Front, however, have attracted significant support among foreign countries eager to hasten Qadhafi's departure or plan any activities inside Libya that might have an impact on the regime. Even here, announced plans have been stronger on talk than action, although the broadcasts beamed into Libya by the National Salvation Front are said to be attracting a wide audience and angering Qadhafi. Although the exiles pose only a slight threat to Qadhafi, they have had a psychological impact on him out of proportion to their activity. In 1980 Qadhafi was so unnerved by signs of exile opposition that he launched a murder campaign that left 11 dead and a number of others wounded—a move that proved counterproductive since it won adherents to opposition circles and sparked the creation of new groups that promise to be more efficient and more realistic.		
	In a speech on 7 October—appropriately named "Vengeance Day" to commemorate the expulsion of Libya's Italian community in 1970—Qadhafi warned exiled dissidents that they faced a new assassination campaign unless they return. This time, Qadhafi promised, murders would be carried out not just by revolutionary committees or hit squads, but by every Libyan traveling abroad, who must accept responsibility for the elimination of the regime's enemies.	25X1 25X1 25X1	
External Threats Organized activity in opposition to Qadhafi takes place within the exile community, where a number of dissident groups have been formed over the years.			

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Antiregime demonstration by Libyan exiles

whether to strike. He is no longer restrained by the prospect of assuming the chairmanship of the OAU, but he is still seriously isolated in Arab circles, worried about US intentions, and preoccupied with Chad.

With the exception of Magaryaf's National Salvation Front, and perhaps the LLO, none of the groups seem to be thinking of operations within Libya—the only kind of activity likely to have a perceptible impact on the regime. Few claim much support inside the country, and it is not clear that such followers as they may possess have any access to Qadhafi or to sensitive installations. The exile movements, in addition, are split by rivalries that reflect the social, geographical, and ideological strains within Libyan society as a whole.

The exiles are not Qadhafi's only external headache; he sees himself in a hostile world, ringed by enemies-chief among them Israel and the United States. From the disposition of Libyan defenses, we know he is worried about the possibility of a US thrust from the Mediterranean or an Israeli air attack-probably against the nuclear reactor at Tajura. His confrontation with the United States in the Gulf of Sidra in August 1981, Washington's reaction on learning of Libyan plans to assassinate President Reagan, the recent US response to a threat against Sudan, and Israel's raid on the Iraqi nuclear reactor in June 1981 have combined to feed those fears.

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Libyan defenses indicate that Qadhafi is, to a lesser extent, worried about a possible thrust from Egypt as well—though an Egyptian invasion force would have trouble penetrating deep into Libya because of terrain, logistics, and operational deficiencies. The Libyans have to consider the possibility of an Egyptian commando raid against their oilfields, but, because of the redundancy and dispersion of its facilities, Libya's oil production and export system is less vulnerable to physical interruption than that of most producers.

An Egyptian attack would probably serve to strengthen rather than weaken Qadhafi as potential dissidents rallied to defend their homeland—an effect experienced after the Egyptian-Libyan border conflict in 1977,

Antiregime sentiment is stronger in Cyrenaica now, but the Egyptians could not expect mass defections to their side

Qadhafi considers Chad another potential threat. He presumably fears that if Habre solidifies his position he could draw on tribal ties to harass the Libyans in the Aozou Strip or in Fezzan itself. Habre might well receive help in such an effort from any of Libya's many enemies—notably Egypt and Sudan, but perhaps also Morocco and Saudi Arabia. He could even be aided by the paramount tribal chieftain of the Fezzan, who has followers in Chad, northern Sudan, and Niger

Qadhafi is trying to deal with Habre by stepping up aid to anti-Habre dissidents in Chad.

We judge that at present Qadhafi has no intention of going beyond such clandestine activities because of the dangers of outright intervention. If Qadhafi were to be drawn again into an open military intervention in Chad, he could seriously weaken his hold on power. He would again have to confront the problems experienced during his first intervention: a reluctant military, which does not consider involvement in a war in Chad in Libya's national interest; heavy casualties, which would compound Qadhafi's problems within the military and with the general public; and escalating expenses at a time when financial reserves are

down and oil sales are uncertain.

Qadhafi's fears of attack by enemies, particularly the United States and Israel, serve to keep him somewhat off balance and may have some impact on his foreign policies, but they do him little harm domestically. If anything, his ability to cast the United States and Israel in the role of potential aggressors probably helps distract the populace from real grievances against the regime and deflects growing dissent.

Qadhafi's Prospects

Qadhafi is facing unprecedented domestic dissent. He knows he stands in very real danger of assassination. His security precautions—always careful—have multiplied in recent months.

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This compulsive concern for personal security is only one of the factors working in favor of Qadhafi's continuing in power. Perhaps his greatest asset despite the economic problems of the last two yearsis Libya's overall economic prosperity. Before the discovery of oil, Libya was one of the poorest countries in the world, and revenues remained low—by today's standards—even after the start of production in the 1960s, thanks to prices that ranged between \$1.30 and \$2.50 per barrel. Since Qadhafi's accession to power, the surge in world oil prices has given Libya one of the highest per capita incomes in Africa and enabled the state to provide many services—subsidized food, free education and medical care, housing—that go a long way toward alleviating other complaints.

Not all of Qadhafi's reforms have been unpopular. The people's committee system, for example, though a rubberstamp process at higher levels and a source of managerial inefficiency where it is applied, has given large portions of the Libyan population at least some voice in day-to-day matters, usually of greatest personal concern. It can be argued that because Qadhafi spearheaded the early efforts by oil producers to wrest a greater share of profits from Western oil companies, he deserves a large share of the credit for the country's subsequent soaring oil revenues. Regardless of the effects of his actual policies, he is the beneficiary of the country's good fortune.

From his earliest years in power, Qadhafi has relied for advice on relatives and fellow tribesmen on whose loyalty he believes he can depend, and he has appointed them to sensitive positions. Perhaps most important, his security services have proved so far both loyal and efficient enough to stay on top of the many threats Qadhafi faces—though their success is probably largely a function of the ruthlessness with which they pursue their targets.

Another asset is the generally repressive atmosphere Qadhafi has imposed on the country. Widespread, frequent, and sometimes even random arrests and the activities of revolutionary committee members with virtually limitless powers discourage even the expression of disaffection, let alone action. Individuals with greater courage, or shorter fuses, have already made their move and been eliminated as threats to the

regime. Each unsuccessful coup attempt makes Qadhafi safer and shrinks the circle of individuals he allows to have access to him

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At the same time, purges and arrests in themselves generate additional discontent. Qadhafi, as he well knows, cannot afford to relax. Of all his many vulnerabilities, two are particularly serious: disaffection within his inner circle, and—probably the most dangerous-military discontent. If Qadhafi is ever unseated by force, the most likely scenario involves a military coup. Qadhafi does his best to guard against it, but the fact that efforts persist, even in the face of widespread arrests, means that dissent goes deep and large segments of the military are in the mood to act. Further, in his ruthless cutting down of potential opponents Qadhafi is capable of policies so outrageous that they alienate previously loyal supporters—people whom he still trusts. One day, one of these may move successfully against him. Qadhafi seems to have intimidated the civilian population, but he cannot completely protect himself against a lone assailant with a grievance and a gun.

We believe that the threat against Qadhafi, though growing, will prove manageable for at least the next few years. Qadhafi's ultimate fate is another story. The odds seem good that he will not leave power voluntarily.

Implications for the United States

Since Qadhafi is likely to surmount his many vulnerabilities, at least for the short term, he will continue to pose a threat to US interests in the region. His weaknesses have not proved exploitable in limiting his troublemaking. The US boycott of Libvan oil, withdrawal of citizens from Libya, and insistence on continued naval exercises in the Gulf of Sidra have intimidated Qadhafi to some degree. He backed away from his willingness to threaten US officials in the fall of 1981. He has made no move to challenge US exercises in the Gulf of Sidra since August 1981. He has repeatedly indicated his interest in improving bilateral relations. Partly out of unhappiness with his current isolation in the area and partly as a result of US pressure, he has generally reduced—at least for the moment—his involvement with international terrorism.

Even so, his activities continue to jeopardize US interests in the region. The foiling of the coup he sponsored against Sudan's President Nimeiri has removed the immediate danger to the Sudanese regime but has not affected Qadhafi's long-term intentions toward Sudan. He still supplies radical Palestinians with large sums of money and tries to undermine US peace efforts by his radical attacks on Arabs who are willing to cooperate in such efforts. He is working to destabilize the Habre regime in Chad and is mounting subversive attacks with varying degrees of intensity against a host of other African targets. The United States has virtually no leverage to force him to change his ways.

Indeed, Qadhafi has many reasons to welcome US efforts against him. So far, he has been able to exploit strong US actions—the boycott, the clash in the Gulf of Sidra, the AWACS—by casting Libya as a small Arab state victimized by a giant superpower and has successfully won sympathy from the broader Arab community, which has little use for his actions otherwise. A similar reaction almost certainly occurred inside Libya as well, although we do not have enough information on Libyan public opinion to document it. In consequence, US sanctions have been in part counterproductive, somewhat mitigating domestic dissatisfaction and international isolation.

Qadhafi's vulnerabilities have had the effect of playing into the hands of the Soviets. As Qadhafi's popularity has declined and his policies have failed, his ties to the Soviets have strengthened. Qadhafi is not a Soviet surrogate and is not likely to become one, and his pro-Soviet stance has not precluded significant periods of friction. Nevertheless, we believe that as his domestic position frays, he appreciates the utility of Soviet help in security and intelligence; as his foreign policies isolate him, he turns to them for

international diplomatic support; as the United States adopts a harsh stand against him, he sees them as a counterweight. Though the Soviets have been and will continue to be wary of binding themselves too closely to a leader they consider wildly unpredictable, they are increasingly in a position to exact concessions—in the form of increased access to Libyan ports, for example—for their aid.

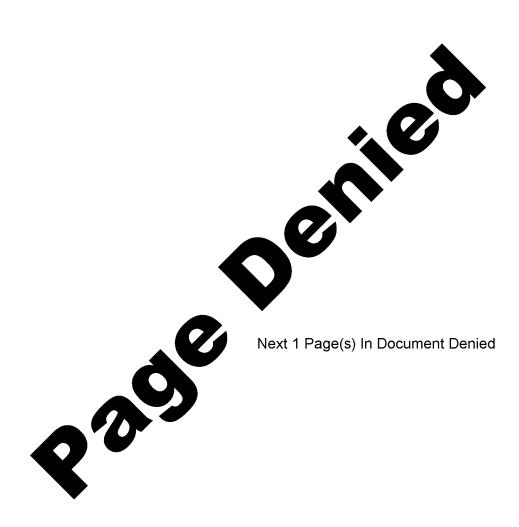
The United States faces serious pitfalls in dealing with Qadhafi. He will probably be able to turn future confrontations to his advantage by dramatizing his willingness to stand up to a giant and characterizing the United States as implacably set against him. He will continually portray the United States as conspiring against him and blame it for all his troubles, from the existence of exile groups to the loss of the OAU chairmanship. When he does go, the United States is certain to be blamed—as it still is, for that matter, for his taking power---and even Arabs happy to see him go will find new grounds for distrust of the United States in his demise. A continued tough approach to dealing with Oadhafi will generate objections—particularly from European allies—that such attention only feeds Qadhafi's ego and international stature (though the argument is heard less often now that European oil concerns have diminished). For all these reasons, keeping Qadhafi intimidated—to the limited extent that it is possible—may involve the United States in trouble with its allies and in adverse international publicity.

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