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INSIGHT  
16 March 1987

# Promising Antiterror Policy Is Put Through the Shredder

**SUMMARY:** Just when it seemed to be gathering momentum, the U.S. campaign against terrorism has been thrown into disarray. Recent gains may be lost, as U.S. allies are left incredulous and irresolute, and terrorist sponsors seek to take advantage of the confusion. The effective covert and paramilitary structures that were erected may fall victim to congressional wrecking crews.

While making his way through the Frankfurt airport with three bottles of explosive liquid in his suitcase, Mohammed Ali Hamadei was detained and then arrested by West German authorities in mid-January. Hamadei, it was soon discovered, was no run-of-the-mill thug: A U.S. indictment had named him as one of two terrorists who hijacked a Trans World Airlines jet airliner en route from Cairo to Athens in June 1985. A 17-day saga ensued; 39 passengers were held hostage and U.S. Navy diver Robert D. Stethem was murdered.

Hamadei was traveling to West Germany as part of a new Shiite extremist offensive in Western Europe. U.S. intelligence analysts say. And so his apprehension ought, by rights, to have been celebrated as a major blow to international terrorism. Today, headlines worldwide ought to be trumpeting news of the sensational Hamadei trial.

But it does not look as though Hamadei will be brought to justice anytime soon. West German officials, citing the safety of West German kidnap victims in Muslim-controlled West Beirut, have refused so far to honor a U.S. extradition request for Hamadei, whose release the kidnapers are demanding. The story quickly has fallen off the front pages and the U.S. request has been "put on the back burner," in the words of one West German official.

Official U.S. protests — Secretary of State George P. Shultz told the West Germans "it isn't a good idea to make trades for hostages" — have a hollow ring to them in the wake of the revelations of the Iran affair. Says a military intelligence officer of a major allied power: "Calling people in



Tripoli after U.S. air raid, April 1986: Attack gave terrorists second thoughts.

Europe 'Eurocowards' doesn't quite pack the punch it used to."

Once again, the West finds itself hostage to the hostage-takers, impotent in the face of a renewed terrorist challenge directed by enemy states intent on expelling Western influence from the Middle East. Before the Iran affair became public knowledge, there were 17 kidnapped foreigners in Beirut; today there are 26, including eight Americans — and counting.

Whether or not the correlation is direct, this much is certain: The actions of the administration — selling Iran arms to secure freedom for Americans held captive by groups under Iranian influence in Beirut — have unraveled an antiterrorist policy, six years in the making, that finally seemed to be working. The story is a tragedy in which some of the architects of that get-tough line were simultaneously undermining it. Primarily, Lt. Col. Oliver L. North.

"We're back to square one," says terrorism expert Daniel Pipes, director of the Foreign Policy Research Institute in Philadelphia. "We didn't have a perfect record

in fighting terrorism, but we had the best one going. Then came the spectacular deception, arms for hostages."

Says Joyce Starr of the Center for Strategic and International Studies: "We have to put Humpty-Dumpty back together again."

States that use terrorism to wage war against the United States and its interests have stepped up their pace and raised the stakes. "The Iran overture gave the impression that terrorism works. It makes cutting deals a lot more possible," says one State Department critic of the initiative. "This, of course, makes U.S. and West European targets very attractive in the Mideast."

The Reagan administration came into office declaring that combating terrorism would be its No. 1 national security priority, in the face of a growing number of radical states willing to underwrite terrorism to achieve their foreign policy goals. The situation had become particularly acute after the Islamic fundamentalist revolution in Iran in 1979.

One terrorist group holding foreign hostages today in Lebanon — Hezbollah, or

Party of God — has links to Iran dating back to the time the Ayatollah Ruhollah Khomeini lived in exile in Iraq. Hezbollah wants to establish an Iranian-style Islamic republic in Lebanon. Other terrorist groups in Lebanon are the pro-Syrian Amal, led by Nabih Berri; the Palestine Liberation Organization, mostly loyal to Yasser Arafat; and the Abu Nidal Organization. Despite factional differences, these groups share the broader goal of damaging Western and Israeli interests in the region.

After three years of relative inattention

Delta Force and streamlined command and control procedures in the Pentagon enhanced the U.S. military capability.

The Central Intelligence Agency, chagrined at its failure to warn officials about the Beirut bomb attacks against the Marine barracks and against the U.S. Embassy earlier that year, began working with friendly countries to create a new antiterrorism intelligence network. The CIA worked to rebuild its network of agents inside terrorist groups, assets that had been lost to budget cuts in the late 1970s.



**Bombing of Marine barracks in Beirut, 1983, spurred lethargic U.S. officials.**

to the problem, the administration was galvanized by the truck-bombing of a U.S. Marine barracks in Beirut in October 1983 in which 241 Americans were killed. At the same time, a spate of intelligence reports prompted a consensus within the administration that state-sponsored terrorism — by Iran, Syria and Libya — was an established fact requiring special attention apart from individual acts of terrorism and that Moscow was directly involved.

In April 1984, President Reagan signed a national security memorandum authorizing preemptive, preventive and retaliatory action against terrorists and against countries sponsoring terrorism. A better transport capability for the crack antiterrorist

The first serious test of the counterterrorism policy came with the hijacking of TWA flight 847 in June 1985. The Reagan administration got mixed reviews. Some applauded the diplomacy that won the safe release of all the TWA passengers but one, while others worried that negotiations between the White House, Shiite leader Bern and Syria's President Hafez al-Assad had set the United States on a dangerous path of negotiating with terrorists.

But four months later, the story was different. To show terrorists "you can run, but you can't hide," Reagan ordered an attack on the hijackers of the Italian luxury liner Achille Lauro, who had murdered American Leon Klinghoffer. The plan, de-

vised by North, took advantage of a "lucky break," in the words of an insider; intercepting the unarmed Egyptian plane on which the terrorists were flying to Tunis, Tunisia, was like "shooting fish in a barrel." U.S. F-14s intercepted the flight and forced the plane to land in Sicily.

But the Italian government rejected a U.S. extradition request for Mohammed "Abu" Abbas, a high-ranking aide to Arafat accused of directing the hijacking. Abbas slipped out of Italy during the controversy and headed for Yugoslavia.

1986 saw even greater gains against terrorism. For starters, the states that sponsor it were indisputably identified, and some of the perpetrators were apprehended and punished. The trials of the Hindawi brothers, one convicted of attempting to blow up an El Al airliner leaving London, the other of bombing a discotheque in West Berlin, both implicated Syria's Assad. Iran was further implicated when it was learned that CIA Beirut station chief William Buckley was transferred from Beirut to Tehran to be tortured and murdered. And the Pakistani investigation of the Pan Am massacre in Karachi identified Libya's Muammar Qaddafi as the architect.

But it was the U.S. air strike against Libya in April that sent terrorists into a tailspin. Libya, which had been implicated in terrorist attacks on the Rome and Vienna airports in December 1985, claimed the entire Gulf of Sidra as its territorial waters. When the U.S. 6th Fleet undertook maneuvers there, Qaddafi drew a "line of death." After Libya fired missiles at U.S. planes in March, the United States responded with attacks on Libyan ships and a missile installation. Then U.S. intelligence concluded that Libya was also implicated in the West German nightclub bombing, in which one U.S. serviceman was killed, and Reagan ordered air attacks on Qaddafi's headquarters in April.

The moves, undertaken with precision to avoid civilian casualties, prompted Libya to stop operating in Europe, shift its activities to the less hostile Islamic countries and act more cautiously. A report by U.S. intelligence analysts in October 1986 showed a drop in terrorist attacks against U.S. targets as well as a drop in the number of incidents directly traceable to Libya or Syria.

The act was tremendously popular in the United States and also garnered support from international public opinion. Two weeks afterward, members of the European Common Market met and agreed to step up their exchange of information on terrorism with the United States.

At a summit in Tokyo, U.S. allies joined in a strong statement against state-sponsored terrorism and lifted Qaddafi's cloak of deniability: The statement specifically mentioned him as a mastermind of terrorist operations. The allies also imposed diplomatic and economic sanctions against Libya.

By fall, British intelligence had linked Syria to the El Al bombing plan, prompting Britain to break off diplomatic relations. The United States, Canada and Belgium subsequently recalled their ambassadors from Damascus.

"The lessons of the first nine months of 1986 were that much of this terrorism is not random chaos, but directly traceable to gangster regimes," says a State Department official. "And we proved that they respond to penalties."

But paradoxically, current and former members of the National Security Council staff who had conceived these successful operations — former national security adviser Robert C. McFarlane, national security adviser John Poindexter and North — had not learned the lessons they were attempting to teach the terrorists. At the time President Reagan gave the "let's do it" order from Air Force One to intercept the Achille Lauro hijackers, the United States had given the go-ahead for a shipment of arms to Iran, also a plan devised by the NSC trio with their full knowledge of Iran's complicity in the Beirut Marine bombing.

As revelations of these secret dealings with Iran have unfolded publicly in the past four months, the allied counterterrorism engine has been driven off the tracks. A high-level meeting on counterterrorism scheduled for Rome in early February was canceled by Britain, France and West Germany because "the allies were afraid it would worsen the Lebanon hostage crisis," says Joyce Starr.

Around the world, the United States is facing a new challenge from radical opponents. "You have basically two schools of

thought," says Avigdor Haselkorn, a terrorism analyst at Eaton Corp. "One school believes the U.S. is looking for a provocation as an excuse to act. They won't act against Americans directly, because they don't want to play into Reagan's hand. The second school believes a great provocation, unmet by U.S. action, will prove Reagan is kaput. What they have in common is a strategy of increasing pressure on the United States."

**I**ntelligence analysts say there is evidence Libyan agents have been looking for new targets for terrorist strikes. These analysts have also concluded that Libya is moving to expand its influence with Hezbollah, offering money and use of Libya's terrorist support structure, apparently convinced that this influence will pay off, as it has for Iran.

In Iran, a little-known but dynamic Shiite leader, Ayatollah Sayed Hadi Khosrow-Shahi, has taken over responsibility for Iran's international terror operations. Analysts say the new leader's hand can be seen in the Dec. 25 hijacking of an Iraqi airliner flying from Baghdad to Jordan in which 67 persons were killed after a crash landing.

The question now is how the United States can resurrect its antiterrorism policy. The first test comes with the increasing number of Americans being held in Beirut by various Hezbollah factions. A U.S. action against one target would likely have a deterrent effect on other terrorist sponsors, experts say.

In the military sphere, options include putting in the Delta Force to take out the terrorists or undertaking general retaliatory air strikes against terrorist strongholds and training camps in Lebanon's Bekaa Valley. Some are advocating a naval blockade of Iranian ports, which would bring the nation's economy to a grinding halt.

"Much of the terrorism battle is fought on the level of perception," says Haselkorn.

"We may be perceived as paper tigers, but obviously we are not in reality. We don't have to act to fit the perception." Implicit in any action, military or not, is the risk that the lives of the hostages will be lost. "But negotiating is worse," he believes. "Any goodwill gesture invites more abuse."

In any event, a proportionate U.S. response will hinge on the covert intelligence business and its ability to demonstrate ties between terrorist acts and their sponsors — Syria, Iran or the Soviets themselves. The greatest fear is that the covert and paramilitary operations built up by the Reagan administration also may be casualties to the Iran affair. House Intelligence Committee Chairman Louis Stokes, an Ohio Democrat, has announced that he wants advance notice on every covert operation undertaken by the CIA, with 48-hour delays permitted in rare instances. The existing law requires notification of covert operations but was left vague to avoid a confrontation over the executive branch's right to keep secrets.

Says Neil Livingstone, president of the Institute on Terrorism and Subnational Conflict, "I think we will go through another period like the one after the Church committee report in the 1970s, when covert action became dirty and no one wanted to do it. We will be back to the days when an action plan meant do a new study."

The revelations by the late Sen. Frank Church's committee also scotched allied cooperation with the United States in the intelligence sphere, severely damaging the CIA's ability to monitor Europe and the Middle East. As a result, the CIA missed the coming revolution in Iran, the start of many of the current troubles. Livingstone predicts a rerun. He recounts a recent conversation with the intelligence chief of a major U.S. ally, who was more perturbed by the self-immolating response to the Iran affair than to the affair itself. "You can't keep a secret," the official observed. "How do you expect us to work with you?"

— David Brock