



JOHN M. POINDEXTER
... "real and illusionary events"

Gadhafi Target of Secret U.S. Deception Plan

Elaborate Campaign Included Disinformation That Appeared as Fact in American Media

By Bob Woodward
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In August the Reagan administration launched a secret and unusual campaign of deception designed to convince Libyan leader Moammar Gadhafi that he was about to be attacked again by U.S. bombers and perhaps be ousted in a coup, according to informed sources and documents.

The secret plan, adopted at a White House meeting on Aug. 14, was outlined in a three-page memo that John M. Poindexter, the president's national security affairs adviser, sent to President Reagan.

"One of the key elements" of the new strategy, the Poindexter memo said, "is that it combines real and illusionary events—through a disinformation program—with the basic goal of making Gadhafi *think* [word underlined in the original] that there is a high degree of internal opposition

to him within Libya, that his key trusted aides are disloyal, that the U.S. is about to move against him militarily."

It was an elaborate plan: "a series of closely coordinated events involving covert, diplomatic, military and public actions," according to Poindexter's memo. Military officers expressed some reservations about the plan, and intelligence specialists were deeply divided about its potential efficacy. The plan was the latest phase of the administration's policy, first adopted last year, to try to topple Gadhafi, a known instigator of terrorist acts targeted by the administration as a threat that has to be removed.

Beginning with an Aug. 25 report in The Wall Street Journal, the American news media—including The Washington Post—reported as fact much of the false information generated by the new plan. Published articles described renewed Libyan backing for terrorism and a looming, new

U.S.-Libya confrontation. But U.S. intelligence officials had actually concluded in August that Gadhafi was "quiescent" on the terrorist front, according to the Poindexter memo. The only "confrontation" was the one generated by the administration plan, according to sources and administration planning papers.

During September, however, U.S. intelligence agencies assembled evidence that Libya had begun planning a significant number of terrorist attacks, and some senior officials are concerned that this is in part a response to the administration's latest campaign against Gadhafi. Of greatest concern to U.S. officials are reports considered reliable but still inconclusive that Libya had a direct hand in the Sept. 5 attack on Pan American World Airways Flight 073 at the Karachi airport in Pakistan and provided logistical sup-

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ADM. WILLIAM J. CROWE JR.
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Libya Leader Gadhafi Was Target of Secret U.S. Deception Plan

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port for the terrorists, according to informed sources.

When the administration's secret deception plan was launched in August, officials acknowledged in internal memos that it might provoke Gadhafi into new terrorist acts. But senior officials decided that the potential benefits of the operation outweighed this risk.

The objective of the plan was to keep Gadhafi "pre-occupied" and "off balance" and to portray him as "paranoid and ineffective" so that, as the memo put it, "forces within Libya which desire his overthrow will be emboldened to take action."

Press Told of New Intelligence on Terrorism

Pointexter's three-page memo to Reagan outlining the plan was drafted in preparation for a National Security Planning Group (NSPG) meeting convened to consider the next steps the administration would take against Gadhafi. The NSPG is the key Cabinet-level forum in which Reagan and his top aides discuss and make decisions on the most sensitive foreign policy matters.

The president, Pointexter and nine other key officials met at the White House to discuss this plan at 11 a.m. Thursday, Aug. 14. Sources said the basic plan was approved and codified in general terms in a formal presidential decision document. Details of the plan were left to Pointexter, the State Department and the Central Intelligence Agency.

Soon after the meeting administration officials told reporters that the United States had new intelligence indicating that Gadhafi was again stepping up his terrorist plans, following a four-month lull after the April 14 American bombing raid against Libya.

But Pointexter's memo to Reagan just before the Aug. 14 meeting painted a less alarming picture: "Although the current intelligence community assessment is that Gadhafi is temporarily quiescent in his support of terrorism, he may soon move to a more active role."

Other sources confirmed that there was no significant, reliable intelligence in mid-August to suggest that Gadhafi was stepping up his terrorist plans.

But the State Department and the CIA concluded that it might be an opportune moment to execute the *coup de grace* against the Libyan leader.

A White House planning document sent to CIA Director William J. Casey before the Aug. 14 meeting said: "Gadhafi's aura of invincibility has been shattered, his prestige is badly tarnished and his grip on power seems precarious."

But administration analysts evidently were of two minds. The Pointexter memo to Reagan written at the same time said: "Most intelligence estimates conclude that in spite of new tensions and Gadhafi's own shock, depression and impaired performance following the April 14 raid, he is still firmly in control in Libya."

Mining Libyan Harbors Weighed, Rejected

Senior administration officials have been frustrated that Gadhafi has been able to remain in power despite a presidentially authorized, year-long CIA effort to oust him.

Over the summer, the administration considered but rejected mining the harbors of Libya, sources said. The anti-Gadhafi forces that the CIA had been supporting proved weak and disorganized, the sources said. All of the efforts against Gadhafi were apparently thwarted by his personal security force and a network of informers in Libya and among Libyan exiles.

Officials acknowledged in their internal discussions



GEORGE P. SHULTZ
... "why don't we give him AIDS"

that the deception plan was risky. "Gadhafi may lash out against Americans and regional friends with terror and subversion," said the White House memo sent to Casey. But the administration concluded that potential benefits outweighed any dangers. "There are risks," that memo said. "However, the benefits of a successful policy demand that every appropriate effort be made to achieve our objectives."

Senior officials said Reagan, Casey and Secretary of State George P. Shultz are particularly determined to remove Gadhafi. As Pointexter said in his August memo, the purpose of taking additional steps against Libya was to deter terrorism, moderate Libyan policies and "bring about a change of leadership in Libya . . ."

The administration has concluded that, as the Pointexter memo said, "any alternative leadership to Gadhafi would be better for U.S. interests and international order."

The mid-August plan approved by Reagan did not specifically call for the planting of false stories in the U.S. media. A State Department planning memo, however, did provide that "U.S. government backgrounds media on 1) three-ring circus in Libya with infighting among groups jockeying for post-Gadhafi era, 2) threat of resurgent terrorism . . ."

The secret plan also called for "foreign media placements" by the CIA.

When a report appeared on the front page of The Wall Street Journal on Aug. 25 stating without qualification that "The U.S. and Libya are on a collision course again," it was embraced publicly by Pointexter and White House spokesman Larry Speakes, who called the article "authoritative." On the basis of those endorsements, other news organizations, including The Post, carried reports summarizing the information that initially appeared in the Journal. In subsequent days administration officials both affirmed and denied that there was new evidence of Libyan-backed terrorism, or that a new confrontation was in the offing.

Yesterday, in response to a question to the White House about stories published in August on Libya, one official said: "The media deceived itself and the stories were hyped. There was no intent that the administra-

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MOAMMAR GADHAFI
... annexed part of neighboring Chad

tion's actions in military exercises and so forth become public."

The Journal's Aug. 25 story reported as fact various administration plans that were actually part of the deception plan described in the August memos. The report did not mention deception, the key ingredient in the plan.

The paper quoted "a senior U.S. official" as saying of Gadhafi: "There are increasing signs that he's resumed planning and preparations for terrorist acts." According to the Pointexter memo to Reagan, there were no such signs.

Contingency Plans Were Months Old

The Journal wrote: "The Reagan administration is preparing to teach the mercurial Libyan leader another lesson. Right now, the Pentagon is completing plans for a new and larger bombing of Libya in case the president orders it." In fact, the administration only had contingency plans for new military action that were several months old, and nothing new was being done, sources said.

The Journal report said that the administration was considering action through the African country of Chad to put pressure on Gadhafi, who has annexed a portion of Chad with about 6,000 Libyan troops.

According to the Journal, "The deputy commander in chief of the U.S. European Command, Gen. Richard Lawson, quietly visited the poverty-stricken desert nation [of Chad] earlier this month to see whether [Chad] President [Hissene] Habre, with U.S. and French help, might be able to expel the Libyans."

In August, a State Department planning paper on the deception plan said: "Lawson's trip to Chad later this month provides an opportunity for disinformation to reach Gadhafi that the U.S. and France are developing contingency plans for a 'Chad Option.'"

Lawson visited Chad on Aug. 12 and 13, but State Department officials said recently that the United States never formally had discussions with France about joint action against the Libyan forces there. France has tacitly accepted the partition of Chad.

The Chad aspect of the deception plan apparently

grew out of a National Security Council memo dated Aug. 7, proposing that the United States attempt to "shame France into asserting itself" in Chad, a former French colony. The document suggested communicating through "military-to-military channels and not through the political channels which failed earlier this year . . . Given the stated desire of some [French] general officers to cooperate with us against Gadhafi, we might actively encourage them to sell the proposal to their civilian leadership."

After the Journal and other news reports appeared describing the purported U.S. proposal to take joint action in Chad, sources said, the French voiced concern to the State Department. Instead of frightening Gadhafi, sources said, the disinformation scuttled possible cooperation with the French on Chad in the near future.

'Overburden and Spook Libyan Defenses'

The August plan had a high-visibility military component. The White House memo to Casey said: "Overt DOD [Department of Defense] operations will also be required to give credibility to rumors that the U.S. intends to take further military action." The memo said there would be "unilateral and joint exercises designed to deceive, overburden and 'spook' Libyan defenses."

U.S. and Egyptian forces conducted military exercises, called "Seawind," in the region in August. Sources said that the exercises were carried out in a particularly provocative manner, sending aircraft into the Tripoli Flight Information Region so they would appear on Libyan radar, though the most provocative action, crossing Gadhafi's self-proclaimed "line of death" into the Gulf of Sidra, was not undertaken.

"There's a fine line between harassment and provocation," said one source who considered the August initiatives potentially dangerous.

The administration plan specified that two U.S. diplomatic missions be given an anti-Libyan spin. One was a visit to European capitals by Vernon A. Walters, the U.S. ambassador to the United Nations; the other a visit by Assistant Secretary of Defense Richard L. Armitage last month to Libyan neighbors Algeria and Tunisia. Walters' mission, which followed the publication of the Journal report and Speakes' description of it as "authoritative," was billed as a briefing on the new U.S. evidence of Libyan sponsorship of terrorist acts. In fact, European sources told Washington Post correspondents in London and Bonn, Walters offered no such evidence to the Western allies.

The Armitage trip, according to a planning memo, would provide a "similar opportunity for disinformation."

Other portions of the plan included attempts to make it appear that the United States was flying across the "line of death" by using deceptive radio communications. Another aspect of the plan involved deceptive aircraft carrier operations to mislead Libya about the intent of U.S. forces to operate near its territory.

The CIA undertook placements of false information in the foreign media. Other covert techniques involving communications, U.S. aircraft and submarines were planned.

One planning document said that the false information should include articles showing that the Soviet Union was planning a coup in Libya. It said, "Libyan intelligence should be provided photography of Libyan dissidents meeting with Soviet officials in Paris, Baghdad, etc."

The U.S. intelligence community has been sharply divided over the new tactics against Gadhafi, according to

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There was a four-month lull in terrorism after the United States launched the April 14 air attacks on Libya. At left, Gadhafi meeting with Soviet journalists after the raids.

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Disinformation in Campaign Appeared as Fact in U.S. Media

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informed sources. Some Libyan experts in the CIA are concerned that the administration's psychological warfare against Gadhafi will backfire, or already has. In this view, the U.S. plan is only feeding Gadhafi's desire to be at the center of events, and has likely fueled his terrorist schemes and plans to extend his rule in North Africa beyond Libyan borders.

Adm. Crowe Voices Concern About Plan

The possibility that Libya did promote the Sept. 5 hijacking of the Pan Am jetliner in Karachi is cited by some specialists who fear the consequences of the U.S. deception plan, though there is no evidence that U.S. actions triggered the hijacking, which is the sort of terrorist act that Gadhafi has organized in the past.

Sources stressed that U.S. intelligence agencies do not yet have conclusive proof of Libyan involvement in the Karachi hijacking, but said there are ominous signs of such complicity. Salman Taraki, an Arab with a Libyan passport, was arrested in Pakistan five days after the hijacking, and an intelligence report said that he had claimed he was on a "special mission" for an operative of the Libyan intelligence service. Taraki apparently was stranded by accident in Pakistan and unable, as planned, to leave the country before or after the hijacking that left 21 persons dead, the sources said.

Taraki and the four hijackers are in Pakistani custody and are undergoing interrogation. Sources said that Pakistan is supplying the United States with some information.

Reagan has publicly promised to take military action again against Libya, as he did in the April 14 raid, if that country is directly connected to other terrorist acts against U.S. installations or targets. The week after the raid, Reagan said, "If their government continues its campaign of terror against Americans, we will act again."

At the Aug. 14 meeting of Reagan and his top national security affairs advisers, Adm. William J. Crowe Jr., the chairman of the Joint Chiefs of Staff, voiced concern about the plan, according to sources, questioning whether it was an appropriate use of military resources. He said that there was great danger in saying or implying that the United States was going to take dramatic

steps, then failing to follow through. Crowe argued that this would lessen the deterrent value of the April 14 raid and any other ongoing efforts to deter Gadhafi.

Though a variety of reservations was voiced during the hour-long meeting, sources said that the strong anti-Gadhafi sentiment in the administration overrode other considerations.

At one point, according to a source, Reagan made a joke about the Libyan leader's well-known proclivity for wearing ostentatious and colorful clothing. The president quipped, "Why not invite Gadhafi to San Francisco, he likes to dress up so much."

Shultz rejoined: "Why don't we give him AIDS!"

Others at the table laughed.

Staff researcher Barbara Feinman contributed to this report.

Wall Street Journal Managing Editor Says 'We Knew Nothing' About Anti-Libyan Ploy

Asked yesterday about The Wall Street Journal's Aug. 25 report on Libya, the newspaper's managing editor, Norman Pearlstine, issued this statement:

"On Aug. 11, Washington bureau chief Al Hunt approved a proposal by John Walcott for a story on the situation in Libya, in anticipation of the Sept. 1 anniversary of the Gadhafi revolution. Hunt suggested involving Cairo correspondent Gerald F. Seib.

"The reporting which produced our Aug. 25 story came from multiple sources in multiple agencies of the U.S. government as well as several foreign governments, including material gathered by Seib. The reporting turned up much indisputable information, including the plan to send an emissary to Europe to seek new sanctions, and discussed the difficulties in pinning the exact blame for terrorist events. The Journal subsequently revealed in a story on Sept. 2 that the U.S. planned to 'promote reports in the Middle East of growing opposition to Gadhafi.'

"If our government also mounted a complex disinformation campaign, involving multiple sources here and abroad aimed at the U.S. press, we knew nothing about it. If, indeed, our government conducted such a domestic disinformation campaign, we were among its many victims."