

MNO 969024
By SD/T/YSW Date 2/1/98

DECLASSIFIED
PA/HO Department of State
E.O. 12958, as amended
September 6, 2007



DEPARTMENT OF STATE

Washington, D.C. 20520

7709

RS

December 31, 1970

TO : The Secretary
THROUGH: S/S [initials]
FROM : AF - C. Robert Moore, Acting
SUBJECT: F-5s for Libya - Your Meeting of January
6, 1971, 11:00 a.m. - BRIEFING MEMORANDUM

Ambassador Palmer has again been pressed by the Commander of the Libyan Air Force for an immediate decision on the F-5s for Libya. The Libyan Commander has indicated his awareness that the aircraft are virtually ready for delivery. He stated that he had waited "long enough" and that he now had to know where he stood. He concluded by saying that if the decision was not communicated to him shortly, he would have to bring the "RCC back into the act". The Ambassador has urged that we respond by January 8.

The policy issues at stake remain unchanged since this subject was outlined in my memorandum of December 4, 1970 to the Acting Secretary (attached). AF continues to share Ambassador Palmer's view that it would be in the national interest for us to deliver the planes.

Attachment:
Memo of 12/4/70

Copies to:
NEA - Joseph Sisco
PM - Ronald Spiers
H - Colgate Prentice
L - Mrs. E. Verville

AF/N:ALLOWRIE:rjp
12/31/70

Clearance: AF/N:James J. Blake

OFFICE OF THE SECRETARY
DEPARTMENT OF STATE

1971 JAN 6 AM 11 23

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TO: The Secretary
THROUGH: The Under Secretary

S/S Theodore L. Eliot Jr.
FROM: AF - David D. Newsom *frn*
SUBJECT: F-5s for Libya - ACTION MEMORANDUM

DISCUSSION:

The eight Northrop F-5 fighter aircraft which the United States agreed to sell the previous Libyan regime in June 1969 will leave the production line this December. They will be ready for delivery on schedule in January and February. Officially, we have had "under review" since March the question of whether it would be in our interest to deliver these aircraft. Ambassador Palmer believes strongly that we must now decide this question since he may be asked by the Libyans at any time regarding our intentions and he cannot indefinitely indicate that no decision has been made. Defense has also asked for a decision regarding the disposition of these planes in order to complete its programming for the remainder of the fiscal year.

A decision on this subject could conceivably be delayed until perhaps March by disposing of these eight planes through the military assistance program to another recipient than Libya, and by earmarking another eight for delivery to Libya before the summer of 1971. AF does not believe the chances of a change for the better in our bilateral relations with Libya or in the Middle East situation between now and March are significant enough to warrant a continued postponement of a decision. Although as noted below PM is in agreement in principle with going ahead with delivery, it

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points out that a decision to proceed at this time would probably result in an adverse reaction from Congress thus jeopardizing the pending FY 1971 supplemental request for military assistance funds. PM therefore makes its concurrence in this memo contingent on a delay in the decision until the Congress has acted on the supplemental request.

Defense has also raised the possibility of delivering the eight F-5s to Libya out of the production of Northrup's Spanish licensee. Such deliveries would, however, still require United States approval, and those who object to delivery in principle would no doubt feel that this procedure was merely a subterfuge.

The Ambassador believes that we should deliver the eight planes on schedule to Libya under the contract of June 1969. AF and DOD agree with him. NEA does not.

The reasons for delivering the planes are several.

- We have a valid contract with the Libyan Government, although it was signed with the pre-revolution regime. The contract does contain a "changed circumstances" clause which I believe could be invoked to justify non-delivery (see attachment.) However, PM believes that doing so would set an undesirable precedent and cast doubts on our role as a reliable military supplier.

- Militarily, the eight planes are inconsequential in the Middle East situation. Their flying range is limited and logistical support of them in a combat zone over the canal would be either difficult or impossible. Libyan pilot and mechanic skills are limited severely in number and quality. Even with these planes Libya would have only 18 fighters.

- Politically, the delivery of the planes might reassure the Libyan regime regarding our intentions toward it. Failure to fulfill the contract would eliminate for a long time any basis for mutual confidence that may exist. It could also provoke retaliation by the regime against our diplomatic presence in Libya, and, at worst, cause a break in relations with the last

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"radical" Arab regime with which we have such relations. Less likely, but still possible, would be a retaliation against the American oil interest. Non-fulfillment would certainly confirm to the regime its conviction that our policy toward the Arab world is negative and toward Israel, positive.

NEA does not disagree basically with the foregoing reasoning. However, it believes that:

- We would encounter substantial Congressional, press and public criticism for "arming" a government which advocates a military solution to the Palestine problem and has been increasingly unfriendly in its attitude toward the United States. This criticism would be increased as a result of the political federation of Libya with the UAR and Sudan which Syria has now joined. H, in general, shares this estimate of the possible Congressional reaction.

- Israel, and its friends in the United States, would demand still more military assistance to offset the addition to Libya's air force, thus adding to pressures for escalation in military supply to the area.

- Libya does not need the planes for its defense. Its defense needs will be more than met by the purchase of a substantial number of French Mirages, delivery of which should begin soon. Critics of the F-5 transaction would make this point. (Originally, about 104 Mirages were ordered, but this number may be reduced to 60, according to unconfirmed intelligence reports.)

- Libyan preoccupation with our Middle East policy means that there is little we can do under present circumstances that is likely to change their attitude toward us basically. Despite our withdrawal from Wheelus, our attempts to maintain good relations have been basically one-sided.

- Deliveries of aircraft to Libya, in light of its closer relation with the UAR, in effect are deliveries to Egypt. Even the French are beginning to get concerned that further moves toward federation raise serious questions regarding Libya's commitment that the Mirages would not fall into third party hands and not be used in the Arab-Israel dispute. Libya is in no position to give such an assurance to the United States and, even if it did, it would be meaningless.

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NEA's view is shared at the staff level of the White House which regards the possible disadvantages of fulfilling the contract as outweighing the possible advantages of doing so.

Some consideration has been given to the possibility of delivery of the planes to the Libyans on the condition that they transfer them and the nine F-5s they now have to Tunisia through a bilateral arrangement with that country after 17 Mirages had been delivered to Libya. NEA and H do not believe this arrangement would offset the adverse public and Congressional reaction that would be generated if we were to go through with the deal now, or deflect increased Israeli demands on us. Defense would have no objection in principle to the arrangement but notes that it could not provide the funds that might be needed to make it work. (Tunisian financial resources are sharply limited.)

Thus, the basic question is whether the U.S. interest would be best served by (a) informing the Department of Defense that delivery of the F-5s to Libya is to be made on schedule, or (b) informing the Department of Defense that the contract is not to be fulfilled. Your approval of one of these two options is requested below.

If the decision is to deliver the aircraft, Ambassador Palmer would have to notify the Libyan Government so that arrangements may be made by the Libyan Air Force to receive them. If the decision is negative, the tactics and timing of informing the Libyans would be left to Ambassador Palmer.

Option 1

Inform the Department of Defense that delivery of the eight F-5s to Libya is to be made on schedule pursuant to the June 1969 contract.

Approve _____

Disapprove _____



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Option 2

Inform the Department of Defense that the June 1969 contract with Libya for eight F-5s is not to be fulfilled and the eight planes covered by it may be disposed of elsewhere.

Approve _____

Disapprove _____

Attachment:

Legal Memorandum.

AF/N:JJBlake:rjp
12/2/70 *MW*

Clearance:
PM/MAS:FDorough (draft) *MW*
NEA:JJSisco (draft) *MW*
H:Amb. Symmes (subs) *MW*

[REDACTED]