

EXHIBIT OLN-177

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SYSTEM IV  
NSC/ICS-400215

MEMORANDUM

NATIONAL SECURITY COUNCIL

N 44842

March 2, 1984

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ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH  
CONSTANTINE MENGES

SUBJECT: Special Activities in Nicaragua

*Referred to the  
3/5  
RM*

On the night of February 29, [redacted] emplaced four magnetic mines in the harbor at Corinto, Nicaragua. No attempt was made by the Sandinistas to engage the [redacted] during the mission. In accord with prior arrangements, ARDE's "Barracuda Commandos" took credit for the operation. ARDE has also declared that the entire Nicaraguan littoral is now a "war zone" and that all shipping within the Nicaraguan claimed 12nm territorial sea is subject to attack.

[redacted] Our intention is to severely disrupt the flow of shipping essential to Nicaraguan trade during the peak export period.

[redacted] In this case, our objective is to further impair the already critical fuel capacity in Nicaragua. This will substantially reduce EPS mobility and hamper their ability to support the ERP/FMLN guerrillas in El Salvador.

[redacted] While we could probably find a way to overtly stop the tanker from loading/departing, it is our judgement that destroying the vessel and its cargo will be far more effective in accomplishing our overall goal of applying stringent economic pressure. It is entirely likely that once a ship has been sunk

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Declassify: [redacted]

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THE NATIONAL SECURITY COUNCIL

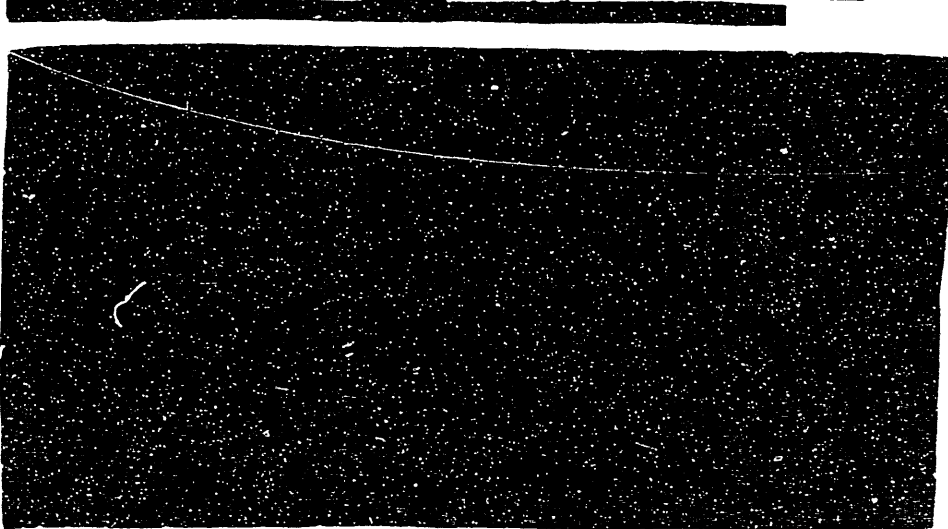
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no insurers will cover ships calling in Nicaraguan ports. This will effectively limit their seab and trade to that which can be carried on Cuban, Soviet Bloc, or their own bottoms. The following plan has been developed:

-- No legal or financial action will be taken to deter [REDACTED]



Given past performances by Sandinista military seamen under fire (surrender or jumping overboard), there is little reason to expect that the Nicaraguan civilian crews of a gasoline laden vessel will attempt to "run for it." It is anticipated that the operation can be safely executed without injury or loss of life. No American citizens will be directly involved in the operational event.

RECOMMENDATION

That you approve this operation and brief the President using the points above.

Approve RCJ

Disapprove \_\_\_\_\_

cc: Ken deGraffenreid

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