

MEMORANDUM FOR THE PRESIDENT

~~TOP SECRET~~SYSTEM ID:  
NSC: ICS-400122THE WHITE HOUSE  
WASHINGTON

February 21, 1984

N 15894

TOP SECRETSENSITIVEACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE *RCM*

SUBJECT: Central America Legislative Strategy - Additional Funding for the Anti-Sandinista Forces

Issue: How can we best obtain additional resources for continuing this program?

Facts: As you were briefed at this morning's NSPG meeting, the FY-84 Defense Appropriation and Intelligence Authorization Acts limit funding for our operations in support of the Nicaraguan opposition forces to \$24M. Unless an additional \$14M is made available, the program will have to be drastically curtailed by May or June of this year. The Intelligence Authorization Act also asks for a Presidential report by March 15, on steps taken and recommendations for further action to achieve a negotiated settlement in Central America.

Discussion: Operations by the FDN, ARDE, and MISURA Indian opposition groups are the only significant pressure being applied against the regime in Managua. Should these efforts have to be terminated for lack of resources, we will have lost our principal instrument for restraining the Sandinistas from exporting their revolution and, in fact, for facilitating a negotiated end to the regional conflict. The international repercussions of this failure in American policy will affect friends and adversaries alike. We must avoid precipitating perceptions of a second "Bay of Pigs" or creating an environment conducive to the collapse of El Salvador or increasing the threat to Honduras.

The NSPG principals are in agreement that the only practical alternative is to approach the Congress with a concerted effort to obtain additional funding for this program, despite the anticipated strong resistance we expect. The memo at Tab A from you to the Secretaries of State and Defense, the Director of Central Intelligence, and the Chairman of the Joint Chiefs will serve to initiate such action. Copies are also provided to each of the NSPG members.

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The NSPG principals also agreed that this effort must be undertaken in concert with our strategy to obtain approval for legislation to implement the NBCCA report. Our spokesmen defending this legislative proposal must be prepared to defend our Nicaraguan program as vigorously as the other economic, humanitarian, and security assistance elements of the plan. We can also use the report required by the Intelligence Authorization Act as an opportunity to further this goal.

Recommendation:OKNoOK

That you sign the memo at Tab A.

Attachment

Tab A - Memo to Shultz/Weinberger/Casey/Vessey

Prepared by:  
Oliver L. North

cc: Vice President

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**EXCISED DRAFT EXTRACT FOLLOWS**

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THE WHITE HOUSE  
WASHINGTON

SYSTEM ID  
NSC/ICS-400120

N 76910

February 16, 1984

TOP SECRET

SENSITIVE

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE *RCM*

SUBJECT: Support for the Anti-Sandinista Forces

Issue: How can we best obtain additional resources for continuing this program?

Facts: The FY-84 Defense Appropriation and Intelligence Authorization Acts limit funding for our operations in support of the Nicaraguan opposition forces to \$24M. Unless an additional \$12-\$14M is made available, the program will have to be drastically curtailed by May or June of this year. The Intelligence Authorization Act also asks for a Presidential report by March 15, on steps taken and recommendations for further action to achieve a negotiated settlement in Central America.

Discussion: In accord with your Finding of September 19, 1983, we currently provide support and guidance for the [REDACTED] opposition groups. Their operations [REDACTED]

[REDACTED] are the only significant pressure being applied against the regime in Managua. Should this effort collapse for lack of resources, we will have lost our principle instrument for restraining the Sandinistas from exporting their revolution and, in fact, for facilitating a negotiated end to the regional conflict. The international repercussions of this failure in American policy will affect friends and adversaries alike. We must avoid precipitating perceptions of a second "Bay of Pigs" or creating an environment conducive to the collapse of El Salvador or increasing threats to Honduras.

Our only practical alternative is to approach the Congress with a concerted effort to obtain additional funding for this program, despite the anticipated strong resistance we expect. The memo at Tab A from you to the Secretaries of State and Defense, the Director of Central Intelligence, and the Chairman of the Joint Chiefs will serve to initiate such action.

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