

How US Flooded the World with Psyops

Special Report: The mainstream U.S. media obsesses over Russian “propaganda” yet the U.S. government created a “psyops” bureaucracy three decades ago to flood the world with dubious information, reports Robert Parry.

By Robert Parry

Newly declassified documents from the Reagan presidential library help explain how the U.S. government developed its sophisticated psychological operations capabilities that – over the past three decades – have created an alternative reality both for people in targeted countries and for American citizens, a structure that expanded U.S. influence abroad and quieted dissent at home.

The documents reveal the formation of a psyops bureaucracy under the direction of Walter Raymond Jr., a senior CIA covert operations specialist who was assigned to President Reagan’s National Security Council staff to enhance the importance of propaganda and psyops in undermining U.S. adversaries around the world and ensuring sufficient public support for foreign policies inside the United States.

Raymond, who has been compared to a character from a John LeCarré novel slipping easily into the woodwork, spent his years inside Reagan’s White House as a shadowy puppet master who tried his best to avoid public attention or – it seems – even having his picture taken. From the tens of thousands of photographs from meetings at Reagan’s White House, I found only a couple showing Raymond – and he is seated in groups, partially concealed by other officials.

But Raymond appears to have grasped his true importance. In his NSC files, I found a doodle of an organizational chart that had Raymond at the top holding what looks like the crossed handles used by puppeteers to control the puppets below them. Although it’s impossible to know exactly what the doodler had in mind, the drawing fits the reality of Raymond as the behind-the-curtains operative who was controlling the various inter-agency task forces that were responsible for implementing various propaganda and psyops strategies.

Until the 1980s, psyops were normally regarded as a military technique for undermining the will of an enemy force by spreading lies, confusion and terror. A classic case was Gen. Edward Lansdale – considered the father of modern psyops – draining the blood from a dead Filipino rebel in such a way so the dead rebel’s superstitious comrades would think that a vampire-like creature was on the prowl. In Vietnam, Lansdale’s psyops team supplied fake and dire astrological predictions for the fate of North Vietnamese and Vietcong leaders.

Essentially, the psyops idea was to play on the cultural weaknesses of a target population so they could be more easily manipulated and controlled. But the challenges facing the Reagan administration in the 1980s led to its determination that peacetime psyops were also needed and that the target populations had to include the American public.

The Reagan administration was obsessed with the problems left behind by the 1970s' disclosures of government lying about the Vietnam War and revelations about CIA abuses both in overthrowing democratically elected governments and spying on American dissidents. This so-called "Vietnam Syndrome" produced profound skepticism from regular American citizens as well as journalists and politicians when President Reagan tried to sell his plans for intervention in the civil wars then underway in Central America, Africa and elsewhere.

While Reagan saw Central America as a "Soviet beachhead," many Americans saw brutal Central American oligarchs and their bloody security forces slaughtering priests, nuns, labor activists, students, peasants and indigenous populations. Reagan and his advisers realized that they had to turn those perceptions around if they hoped to get sustained funding for the militaries of El Salvador, Guatemala and Honduras as well as for the Nicaraguan Contra rebels, the CIA-organized paramilitary force marauding around leftist-ruled Nicaragua.

So, it became a high priority to reshape public perceptions to gain support for Reagan's Central American military operations both inside those targeted countries and among Americans.

A 'Psyops Totality'

As Col. Alfred R. Paddock Jr. wrote in an influential November 1983 paper, entitled "Military Psychological Operations and US Strategy," "the planned use of communications to influence attitudes or behavior should, if properly used, precede, accompany, and follow all applications of force. Put another way, psychological operations is the one weapons system which has an important role to play in peacetime, throughout the spectrum of conflict, and during the aftermath of conflict."

Paddock continued, "Military psychological operations are an important part of the 'PSYOP Totality,' both in peace and war. ... We need a program of psychological operations as an integral part of our national security policies and programs. ... The continuity of a standing interagency board or committee to provide the necessary coordinating mechanism for development of a coherent, worldwide psychological operations strategy is badly needed."

Some of Raymond's recently available handwritten notes show a focus on El

Salvador with the implementation of "Nation wide multi-media psyops" spread through rallies and electronic media. "Radio + TV also carried Psyops messages," Raymond wrote. (Emphasis in original.) Though Raymond's cramped handwriting is often hard to decipher, the notes make clear that psyops programs also were directed at Honduras, Guatemala and Peru.

One declassified "top secret" document in Raymond's file – dated Feb. 4, 1985, from Secretary of Defense Caspar Weinberger – urged the fuller implementation of President Reagan's National Security Decision Directive 130, which was signed on March 6, 1984, and which authorized peacetime psyops by expanding psyops beyond its traditional boundaries of active military operations into peacetime situations in which the U.S. government could claim some threat to national interests.

"This approval can provide the impetus to the rebuilding of a necessary strategic capability, focus attention on psychological operations as a national – not solely military – instrument, and ensure that psychological operations are fully coordinated with public diplomacy and other international information activities," Weinberger's document said.

This broader commitment to psyops led to the creation of a Psychological Operations Committee (POC) that was to be chaired by a representative of Reagan's National Security Council with a vice chairman from the Pentagon and with representatives from the Central Intelligence Agency, the State Department and the U.S. Information Agency.

"This group will be responsible for planning, coordinating and implementing psychological operations activities in support of United States policies and interests relative to national security," according to a "secret" addendum to a memo, dated March 25, 1986, from Col. Paddock, the psyops advocate who had become the U.S. Army's Director for Psychological Operations.

"The committee will provide the focal point for interagency coordination of detailed contingency planning for the management of national information assets during war, and for the transition from peace to war," the addendum added. "The POC shall seek to ensure that in wartime or during crises (which may be defined as periods of acute tension involving a threat to the lives of American citizens or the imminence of war between the U.S. and other nations), U.S. international information elements are ready to initiate special procedures to ensure policy consistency, timely response and rapid feedback from the intended audience."

Taking Shape

The Psychological Operations Committee took formal shape with a "secret" memo

from Reagan's National Security Advisor John Poindexter on July 31, 1986. Its first meeting was called on Sept. 2, 1986, with an agenda that focused on Central America and "How can other POC agencies support and complement DOD programs in El Salvador, Guatemala, Honduras, Costa Rica and Panama." The POC was also tasked with "Developing National PSYOPS Guidelines" for "formulating and implementing a national PSYOPS program." (Underlining in original)

Raymond was named a co-chair of the POC along with CIA officer Vincent Cannistraro, who was then Deputy Director for Intelligence Programs on the NSC staff, according to a "secret" memo from Deputy Under Secretary of Defense Craig Alderman Jr. The memo also noted that future POC meetings would be briefed on psyops projects for the Philippines and Nicaragua, with the latter project codenamed "Niagara Falls." The memo also references a "Project Touchstone," but it is unclear where that psyops program was targeted.

Another "secret" memo dated Oct. 1, 1986, co-authored by Raymond, reported on the POC's first meeting on Sept. 10, 1986, and noted that "The POC will, at each meeting, focus on an area of operations (e.g., Central America, Afghanistan, Philippines)."

The POC's second meeting on Oct. 24, 1986, concentrated on the Philippines, according to a Nov. 4, 1986 memo also co-authored by Raymond. "The next step will be a tightly drafted outline for a PSYOPS Plan which we will send to that Embassy for its comment," the memo said. The plan "largely focused on a range of civic actions supportive of the overall effort to overcome the insurgency," an addendum noted. "There is considerable concern about the sensitivities of any type of a PSYOPS program given the political situation in the Philippines today."

Earlier in 1986, the Philippines had undergone the so-called "People Power Revolution," which drove longtime dictator Ferdinand Marcos into exile, and the Reagan administration, which belatedly pulled its support from Marcos, was trying to stabilize the political situation to prevent more populist elements from gaining the upper hand.

But the Reagan administration's primary attention continued to go back to Central America, including "Project Niagara Falls," the psyops program aimed at Nicaragua. A "secret" Pentagon memo from Deputy Under Secretary Alderman on Nov. 20, 1986, outlined the work of the 4th Psychological Operations Group on this psyops plan "to help bring about democratization of Nicaragua," by which the Reagan administration meant a "regime change." The precise details of "Project Niagara Falls" were not disclosed in the declassified documents but the choice of codename suggested a cascade of psyops.

Other documents from Raymond's NSC file shed light on who other key operatives in the psyops and propaganda programs were. For instance, in undated notes on efforts to influence the Socialist International, including securing support for U.S. foreign policies from Socialist and Social Democratic parties in Europe, Raymond cited the efforts of "Ledeem, Gershman," a reference to neoconservative operative Michael Ledeen and Carl Gershman, another neocon who has served as president of the U.S.-government-funded National Endowment for Democracy (NED), from 1983 to the present. (Underlining in original.)

Although NED is technically independent of the U.S. government, it receives the bulk of its funding (now about \$100 million a year) from Congress. Documents from the Reagan archives also make clear that NED was organized as a way to replace some of the CIA's political and propaganda covert operations, which had fallen into disrepute in the 1970s. Earlier released documents from Raymond's file show CIA Director William Casey pushing for NED's creation and Raymond, Casey's handpicked man on the NSC, giving frequent advice and direction to Gershman. [See Consortiumnews.com's "CIA's Hidden Hand in 'Democracy' Groups."]

Another figure in Raymond's constellation of propaganda assets was media mogul Rupert Murdoch, who was viewed as both a key political ally of President Reagan and a valuable source of funding for private groups that were coordinating with White House propaganda operations. [See Consortiumnews.com's "Rupert Murdoch: Propaganda Recruit."]

In a Nov. 1, 1985 letter to Raymond, Charles R. Tanguy of the "Committees for a Community of Democracies – USA" asked Raymond to intervene in efforts to secure Murdoch's funding for the group. "We would be grateful ... if you could find the time to telephone Mr. Murdoch and encourage him to give us a positive response," the letter said.

Another document, entitled "Project Truth Enhancement," described how \$24 million would be spent on upgrading the telecommunications infrastructure to arm "Project Truth, with the technical capability to provide the most efficient and productive media support for major USG policy initiatives like Political Democracy." Project Truth was the overarching name of the Reagan administration's propaganda operation. For the outside world, the program was billed as "public diplomacy," but administration insiders privately called it "perception management." [See Consortiumnews.com's "The Victory of Perception Management."]

The Early Years

The original priority of "Project Truth" was to clean up the images of the Guatemalan and Salvadoran security forces and the Nicaraguan Contras, who were

led by ousted dictator Anastasio Somoza's ex-National Guard officers. To ensure steady military funding for these notorious forces, Reagan's team knew it had to defuse the negative publicity and somehow rally the American people's support.

At first, the effort focused on weeding out American reporters who uncovered facts that undercut the desired public images. As part of that effort, the administration denounced New York Times correspondent Raymond Bonner for disclosing the Salvadoran regime's massacre of about 800 men, women and children in the village of El Mozote in northeast El Salvador in December 1981. Accuracy in Media and conservative news organizations, such as The Wall Street Journal's editorial page, joined in pummeling Bonner, who was soon ousted from his job. But such efforts were largely ad hoc and disorganized.

CIA Director Casey, from his years crisscrossing the interlocking worlds of business and intelligence, had important contacts for creating a more systematic propaganda network. He recognized the value of using established groups known for advocating "human rights," such as Freedom House.

One document from the Reagan library showed senior Freedom House official Leo Cherne running a draft manuscript on political conditions in El Salvador past Casey and promising that Freedom House would make requested editorial "corrections and changes" – and even send over the editor for consultation with whomever Casey assigned to review the paper.

In a "Dear Bill" letter dated June 24, 1981, Cherne, who was chairman of the Freedom House's executive committee, wrote: "I am enclosing a copy of the draft manuscript by Bruce McColm, Freedom House's resident specialist on Central America and the Caribbean. This manuscript on El Salvador was the one I had urged be prepared and in the haste to do so as rapidly as possible, it is quite rough. You had mentioned that the facts could be checked for meticulous accuracy within the government and this would be very helpful. ...

"If there are any questions about the McColm manuscript, I suggest that whomever is working on it contact Richard Salzman at the Research Institute [an organization where Cherne was executive director]. He is Editor-in-Chief at the Institute and the Chairman of the Freedom House's Salvador Committee. He will make sure that the corrections and changes get to Rita Freedman who will also be working with him. If there is any benefit to be gained from Salzman's coming down at any point to talk to that person, he is available to do so."

By 1982, Casey also was lining up some powerful right-wing ideologues to help fund the "perception management" project both with money and their own media outlets. Richard Mellon Scaife was the scion of the Mellon banking, oil and aluminum fortune who financed a variety of right-wing family foundations – such

as Sarah Scaife and Carthage – that were financial benefactors to right-wing journalists and think tanks. Scaife also published the Tribune Review in Pittsburgh, Pennsylvania.

A more comprehensive “public diplomacy” operation began to take shape in 1982 when Raymond, a 30-year veteran of CIA clandestine services, was transferred to the NSC. Raymond became the sparkplug for this high-powered propaganda network, according to an unpublished draft chapter of the congressional Iran-Contra investigation that was suppressed as part of the deal to get three moderate Republican senators to sign on to the final report and give the inquiry a patina of bipartisanship.

Though the draft chapter didn’t use Raymond’s name in its opening pages, apparently because some of the information came from classified depositions, Raymond’s name was used later in the chapter and the earlier citations matched Raymond’s known role. According to the draft report, the CIA officer who was recruited for the NSC job had served as Director of the Covert Action Staff at the CIA from 1978 to 1982 and was a “specialist in propaganda and disinformation.”

“The CIA official [Raymond] discussed the transfer with [CIA Director] Casey and NSC Advisor William Clark that he be assigned to the NSC as [Donald] Gregg’s successor [as coordinator of intelligence operations in June 1982] and received approval for his involvement in setting up the public diplomacy program along with his intelligence responsibilities,” the chapter said. Gregg was another senior CIA official who was assigned to the NSC before becoming Vice President George H.W. Bush’s national security adviser.

“In the early part of 1983, documents obtained by the Select [Iran-Contra] Committees indicate that the Director of the Intelligence Staff of the NSC [Raymond] successfully recommended the establishment of an inter-governmental network to promote and manage a public diplomacy plan designed to create support for Reagan Administration policies at home and abroad.”

War of Ideas

During his Iran-Contra deposition, Raymond explained the need for this propaganda structure, saying: “We were not configured effectively to deal with the war of ideas.”

One reason for this shortcoming was that federal law forbade taxpayers’ money from being spent on domestic propaganda or grassroots lobbying to pressure congressional representatives. Of course, every president and his team had vast resources to make their case in public, but by tradition and law, they were

restricted to speeches, testimony and one-on-one persuasion of lawmakers. But President Reagan saw the American public's "Vietnam Syndrome" as an obstacle to his more aggressive policies.

Along with Raymond's government-based organization, there were outside groups eager to cooperate and cash in. Back at Freedom House, Cherne and his associates were angling for financial support.

In an Aug. 9, 1982 letter to Raymond, Freedom House executive director Leonard R. Sussman wrote that "Leo Cherne has asked me to send these copies of Freedom Appeals. He has probably told you we have had to cut back this project to meet financial realities. ... We would, of course, want to expand the project once again when, as and if the funds become available. Offshoots of that project appear in newspapers, magazines, books and on broadcast services here and abroad. It's a significant, unique channel of communication" – precisely the focus of Raymond's work.

On Nov. 4, 1982, Raymond, after his transfer from the CIA to the NSC staff but while still a CIA officer, wrote to NSC Advisor Clark about the "Democracy Initiative and Information Programs," stating that "Bill Casey asked me to pass on the following thought concerning your meeting with [right-wing billionaire] Dick Scaife, Dave Abshire [then a member of the President's Foreign Intelligence Advisory Board], and Co. Casey had lunch with them today and discussed the need to get moving in the general area of supporting our friends around the world.

"By this definition he is including both 'building democracy' ... and helping invigorate international media programs. The DCI [Casey] is also concerned about strengthening public information organizations in the United States such as Freedom House. ... A critical piece of the puzzle is a serious effort to raise private funds to generate momentum. Casey's talk with Scaife and Co. suggests they would be very willing to cooperate. ... Suggest that you note White House interest in private support for the Democracy initiative."

The importance of the CIA and White House secretly arranging private funds was that these supposedly independent voices would then reinforce and validate the administration's foreign policy arguments with a public that would assume the endorsements were based on the merits of the White House positions, not influenced by money changing hands. Like snake-oil salesmen who plant a few cohorts in the crowd to whip up excitement for the cure-all elixir, Reagan administration propagandists salted some well-paid "private" individuals around Washington to echo White House propaganda "themes."

The role of the CIA in these initiatives was concealed but never far from the surface. A Dec. 2, 1982 note addressed to "Bud," a reference to senior NSC

official Robert "Bud" McFarlane, described a request from Raymond for a brief meeting. "When he [Raymond] returned from Langley [CIA headquarters], he had a proposed draft letter ... re \$100 M democ[racy] proj[ect]," the note said.

While Casey pulled the strings on this project, the CIA director instructed White House officials to hide the CIA's hand. "Obviously we here [at CIA] should not get out front in the development of such an organization, nor should we appear to be a sponsor or advocate," Casey said in one undated letter to then-White House counselor Edwin Meese III as Casey urged creation of a "National Endowment."

But the formation of the National Endowment for Democracy, with its hundreds of millions of dollars in U.S. government money, was still months down the road. In the meantime, the Reagan administration would have to line up private donors to advance the propaganda cause.

"We will develop a scenario for obtaining private funding," NSC Advisor Clark wrote to Reagan in a Jan. 13, 1983 memo, adding that U.S. Information Agency Director "Charlie Wick has offered to take the lead. We may have to call on you to meet with a group of potential donors."

Despite Casey's and Raymond's success in bringing onboard wealthy conservatives to provide private funding for the propaganda operations, Raymond worried about whether a scandal could erupt over the CIA's involvement. Raymond formally resigned from the CIA in April 1983, so, he said, "there would be no question whatsoever of any contamination of this." But Raymond continued to act toward the U.S. public much like a CIA officer would in directing a propaganda operation in a hostile foreign country.

Raymond fretted, too, about the legality of Casey's ongoing role. Raymond confided in one memo that it was important "to get [Casey] out of the loop," but Casey never backed off and Raymond continued to send progress reports to his old boss well into 1986.

It was "the kind of thing which [Casey] had a broad catholic interest in," Raymond shrugged during his Iran-Contra deposition. He then offered the excuse that Casey undertook this apparently illegal interference in domestic politics "not so much in his CIA hat, but in his adviser to the president hat."

Peacetime Propaganda

Meanwhile, Reagan began laying out the formal authority for this unprecedented peacetime propaganda bureaucracy. On Jan. 14, 1983, Reagan signed National Security Decision Directive 77, entitled "Management of Public Diplomacy Relative to National Security." In NSDD-77, Reagan deemed it "necessary to

strengthen the organization, planning and coordination of the various aspects of public diplomacy of the United States Government.”

Reagan ordered the creation of a special planning group within the National Security Council to direct these “public diplomacy” campaigns. The planning group would be headed by Walter Raymond and one of its principal outposts would be a new Office of Public Diplomacy for Latin America, housed at the State Department but under the control of the NSC. (One of the directors of the Latin American public diplomacy office was neoconservative Robert Kagan, who would later co-found the Project for the New American Century in 1998 and become a chief promoter of President George W. Bush’s 2003 invasion of Iraq.)

On May 20, 1983, Raymond recounted in a memo that \$400,000 had been raised from private donors brought to the White House Situation Room by U.S. Information Agency Director Charles Wick. According to that memo, the money was divided among several organizations, including Freedom House and Accuracy in Media, a right-wing media attack organization.

When I wrote about that memo in my 1992 book, *Fooling America*, Freedom House denied receiving any White House money or collaborating with any CIA/NSC propaganda campaign. In a letter, Freedom House’s Sussman called Raymond “a second-hand source” and insisted that “this organization did not need any special funding to take positions ... on any foreign-policy issues.”

But it made little sense that Raymond would have lied to a superior in an internal memo. And clearly, Freedom House remained central to the Reagan administration’s schemes for aiding groups supportive of its Central American policies, particularly the CIA-organized Contra war against the leftist Sandinista regime in Nicaragua. Plus, White House documents released later revealed that Freedom House kept its hand out for funding.

On Sept. 15, 1984, Bruce McColm— writing from Freedom House’s Center for Caribbean and Central American Studies – sent Raymond “a short proposal for the Center’s Nicaragua project 1984-85. The project combines elements of the oral history proposal with the publication of *The Nicaraguan Papers*,” a book that would disparage Sandinista ideology and practices.

“Maintaining the oral history part of the project adds to the overall costs; but preliminary discussions with film makers have given me the idea that an Improper Conduct-type of documentary could be made based on these materials,” McColm wrote, referring to a 1984 film that offered a scathing critique of Fidel Castro’s Cuba. “Such a film would have to be the work of a respected Latin American filmmaker or a European. American-made films on Central America are simply too abrasive ideologically and artistically poor.”

McColm's three-page letter reads much like a book or movie pitch, trying to interest Raymond in financing the project: "The Nicaraguan Papers will also be readily accessible to the general reader, the journalist, opinion-maker, the academic and the like. The book would be distributed fairly broadly to these sectors and I am sure will be extremely useful. They already constitute a form of Freedom House samizdat, since I've been distributing them to journalists for the past two years as I've received them from disaffected Nicaraguans."

McColm proposed a face-to-face meeting with Raymond in Washington and attached a six-page grant proposal seeking \$134,100. According to the grant proposal, the project would include "free distribution to members of Congress and key public officials; distribution of galley proofs in advance of publication for maximum publicity and timely reviews in newspapers and current affairs magazines; press conferences at Freedom House in New York and at the National Press Club in Washington, D.C.; op-ed circulation to more than 100 newspapers ...; distribution of a Spanish-language edition through Hispanic organizations in the United States and in Latin America; arrangement of European distribution through Freedom House contacts."

The documents that I found at the Reagan library did not indicate what subsequently happened to this specific proposal. McColm did not respond to an email request for comment about the Nicaraguan Papers plan or the earlier letter from Cherne (who died in 1999) to Casey about editing McComb's manuscript. Freedom House did emerge as a leading critic of Nicaragua's Sandinista government and also became a major recipient of money from the U.S.-funded National Endowment for Democracy, which was founded in 1983 under the umbrella of the Casey-Raymond project.

The more recently released documents – declassified between 2013 and 2017 – show how these earlier Casey-Raymond efforts merged with the creation of a formal psyop bureaucracy in 1986 also under the control of Raymond's NSC operation. The combination of the propaganda and psyop programs underscored the powerful capability that the U.S. government developed more than three decades ago for planting slanted, distorted or fake news. (Casey died in 1987; Raymond died in 2003.)

Over those several decades, even as the White House changed hands from Republicans to Democrats to Republicans to Democrats, the momentum created by William Casey and Walter Raymond continued to push these "perception management/psyops" strategies forward. In more recent years, the wording has changed, giving way to more pleasing euphemisms, like "smart power" and "strategic communications." But the idea is still the same: how you can use propaganda to sell U.S. government policies abroad and at home.

Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book, *America's Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)).
