

The Legacy of Reagan's Civilian 'Psyops'

Special Report: When the Reagan administration launched peacetime "psyops" in the mid-1980s, it pulled in civilian agencies to help spread these still-ongoing techniques of deception and manipulation, reports Robert Parry.

By Robert Parry

Declassified records from the Reagan presidential library show how the U.S. government enlisted civilian agencies in psychological operations designed to exploit information as a way to manipulate the behavior of targeted foreign audiences and, at least indirectly, American citizens.

A just-declassified sign-in sheet for a meeting of an inter-agency "psyops" committee on Oct. 24, 1986, shows representatives from the Agency for International Development (USAID), the State Department, and the U.S. Information Agency (USIA) joining officials from the Central Intelligence Agency and the Defense Department.

Some of the names of officials from the CIA and Pentagon remain classified more than three decades later. But the significance of the document is that it reveals how agencies that were traditionally assigned to global development (USAID) or international information (USIA) were incorporated into the U.S. government's strategies for peacetime psyops, a military technique for breaking the will of a wartime enemy by spreading lies, confusion and terror.

Essentially, psyops play on the cultural weaknesses of a target population so they could be more easily controlled or defeated, but the Reagan administration was taking the concept outside the traditional bounds of warfare and applying psyops to any time when the U.S. government could claim some threat to America.

This disclosure – bolstered by other documents released earlier this year by archivists at the Reagan library in Simi Valley, California – is relevant to today's frenzy over alleged "fake news" and accusations of "Russian disinformation" by reminding everyone that the U.S. government was active in those same areas.

The U.S. government's use of disinformation and propaganda is, of course, nothing new. For instance, during the 1950s and 1960s, the USIA regularly published articles in friendly newspapers and magazines that appeared under fake names such as Guy Sims Fitch.

However, in the 1970s, the bloody Vietnam War and the Pentagon Papers' revelations about U.S. government deceptions to justify that war created a

crisis for American propagandists, their loss of credibility with the American people. Some of the traditional sources of U.S. disinformation, such as the CIA, also fell into profound disrepute.

This so-called “Vietnam Syndrome” – a skeptical citizenry dubious toward U.S. government claims about foreign conflicts – undermined President Reagan’s efforts to sell his plans for intervention in the civil wars then underway in Central America, Africa and elsewhere.

Reagan depicted Central America as a “Soviet beachhead,” but many Americans saw haughty Central American oligarchs and their brutal 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.

Perception Management

So, it became a high priority to reshape public perceptions inside those targeted countries but even more importantly among the American people. That challenge led the Reagan administration to revitalize and reorganize methods for distributing propaganda and funding friendly foreign operatives, such as creation of the National Endowment for Democracy under neoconservative president Carl Gershman in 1983.

Another entity in this process was the Psychological Operations Committee formed in 1986 under Reagan’s National Security Council. In the years since, the U.S. administrations, both Republican and Democratic, have applied many of these same psyops principles, cherry-picking or manufacturing evidence to undermine adversaries and to solidify U.S. public support for Washington’s policies.

This reality – about the U.S. government creating its own faux reality to manipulate the American people and international audiences – should compel journalists in the West to treat all claims from Washington with a large grain of salt.

However, instead, we have seen a pattern of leading news outlets simply amplifying whatever U.S. agencies assert about foreign adversaries while denouncing skeptics as purveyors of “fake news” or enemy “propaganda.” In effect, the success of the U.S. psyops strategy can be measured by how Western mainstream media has stepped forward as the enforcement mechanism to ensure conformity to the U.S. government’s various information themes and narratives.

For instance, any questioning of the U.S. government's narratives on, say, the current Syrian conflict, or the Ukraine coup of 2014, or Russian "hacking" of the 2016 U.S. election, or Iran's status as "the leading sponsor of terrorism" is treated by the major Western news outlets as evidence that you are a "useful fool" at best, if not a willful enemy "propagandist" with loyalty to a foreign power, i.e., a traitor.

Leading mainstream media outlets and establishment-approved Web sites are now teaming up with Google, Facebook and other technology companies to develop algorithms to bury or remove content from the Internet that doesn't march in lockstep with what is deemed to be true, which often simply follows what U.S. government agencies say is true.

Yet, the documentary evidence is now clear that the U.S. government undertook a well-defined strategy of waging psyops around the world with regular blowback of this propaganda and disinformation onto the American people via Western news agencies covering events in the affected countries.

During more recent administrations, euphemisms have been used to cloak the more pejorative phrase, "psychological operations" – such as "public diplomacy," "strategic communications," "perception management," and "smart power." But the serious push to expand this propaganda capability of the U.S. government can be traced back to the Reagan presidency.

The Puppet Master

Over the years, I've obtained scores of documents related to the psyops and related programs via "mandatory declassification reviews" of files belonging to Walter Raymond Jr., a senior CIA covert operations specialist who was transferred to Reagan's National Security Council staff in 1982 to rebuild capacities for psyops, propaganda and disinformation.

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. 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 psyops and other propaganda strategies.

In Raymond's files, I found an influential November 1983 paper, written by Col. Alfred R. Paddock Jr. and entitled "Military Psychological Operations and US Strategy," which stated: "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."

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.

An Inter-Agency Committee

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 CIA, the State Department and USIA.

"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."

In other words, the U.S. government could engage in psyops virtually anytime because there are always "periods of acute tension involving a threat to the lives of American citizens."

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 – for which the sign-in sheet was just released – concentrated on the Philippines, according to a Nov. 4, 1986 memo also co-authored by Raymond.

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.

Key Operatives

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 “Ledeen, 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.”]

While the initials USAID conjure up images of well-meaning Americans helping to drill wells, teach school and set up health clinics in impoverished nations, USAID also has kept its hand in financing friendly journalists around the globe.

In 2015, USAID issued a fact sheet summarizing its work financing “journalism education, media business development, capacity building for supportive institutions, and strengthening legal-regulatory environments for free media.” USAID estimated its budget for “media strengthening programs in over 30 countries” at \$40 million annually, including aiding “independent media organizations and bloggers in over a dozen countries,”

In Ukraine before the 2014 coup, USAID offered training in “mobile phone and website security,” which sounds a bit like an operation to thwart the local government’s intelligence gathering, an ironic position for the U.S. with its surveillance obsession, including prosecuting whistleblowers based on evidence that they talked to journalists.

USAID, working with billionaire George Soros’s Open Society, also funded the Organized Crime and Corruption Reporting Project (OCCRP), which engages in

“investigative journalism” that usually goes after governments that have fallen into disfavor with the United States and then are singled out for accusations of corruption.

The USAID-funded OCCRP also collaborates with Bellingcat, an online investigative website founded by blogger Eliot Higgins, who is now a senior non-resident fellow of the Atlantic Council, a pro-NATO think tank that receives funding from the U.S. and allied governments.

Higgins has spread misinformation on the Internet, including discredited claims implicating the Syrian government in the sarin attack in 2013 and directing an Australian TV news crew to what looked to be the wrong location for a video of a BUK anti-aircraft battery as it supposedly made its getaway to Russia after the shoot-down of Malaysia Airlines Flight 17 in July 2014.

Despite his dubious record of accuracy, Higgins has gained mainstream acclaim, in part, because his “findings” always match up with the propaganda theme that the U.S. government and its Western allies are peddling. Though most genuinely independent bloggers are ignored by the mainstream media, Higgins has found his work touted by both The New York Times and The Washington Post, and Google has included Bellingcat on its First Draft coalition, which will determine which news will be deemed real and which fake.

In other words, the U.S. government has a robust strategy for deploying direct and indirect agents of influence who are now influencing how the titans of the Internet will structure their algorithms to play up favored information and disappear disfavored information.

A Heritage of Lies

During the first Cold War, the CIA and the U.S. Information Agency refined the art of “information warfare,” including pioneering some of its current features like having ostensibly “independent” entities and cut-outs present U.S. propaganda to a cynical public that would reject much of what it hears from government but may trust “citizen journalists” and “bloggers.”

USIA, which was founded in 1953 and gained new life in the 1980s under its Reagan-appointed director Charles Wick, was abolished in 1999, but its propaganda functions were largely folded into the new office of Under Secretary of State for Public Diplomacy and Public Affairs, which became a new fount of disinformation.

For instance, in 2014, President Obama’s Under Secretary for Public Diplomacy Richard Stengel engaged in a series of falsehoods and misrepresentations regarding Russia’s RT network. In one instance, he claimed that the RT had made

the “ludicrous assertion” that the U.S. had invested \$5 billion in the regime change project in Ukraine. But that was an obvious reference to a public speech by U.S. Assistant Secretary of State for European Affairs Victoria Nuland on Dec. 13, 2013, in which she said “we have invested more than \$5 billion” to help Ukraine to achieve its “European aspirations.”

Nuland also was a leading proponent of the Ukraine coup, personally cheering on the anti-government rioters. In an intercepted phone call with U.S. Ambassador to Ukraine Geoffrey Pyatt, Nuland discussed how “to glue” or “midwife this thing” and who the new leaders would be. She picked Arseniy Yatsenyuk – “Yats is the guy” – who ended up as Prime Minister after elected President Viktor Yanukovich was overthrown.

Despite all the evidence of a U.S.-backed coup, The New York Times simply ignored the evidence, including the Nuland-Pyatt phone call, to announce that there never was a coup. The Times’ obeisance to the State Department’s false narrative is a good example of how the legacy of Walter Raymond, who died in 2003, extends to the present.

Over several decades, even as the White House changed hands from Republicans to Democrats, the momentum created by Raymond continued to push the peacetime psyops strategy forward.

In more recent years, the wording of the program may have changed to more pleasing euphemisms. But the idea is the same: how you can use psyops, propaganda and disinformation 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).

Reagan Documents Shed Light on U.S. ‘Meddling’

Special Report: “Secret” documents from the Reagan administration show how the U.S. embedded “political action,” i.e., the manipulation of foreign governments, in ostensibly well-meaning organizations, reports Robert Parry.

By Robert Parry

"Secret" documents, recently declassified by the Reagan presidential library, reveal senior White House officials reengaging a former CIA "proprietary," The Asia Foundation, in "political action," an intelligence term of art for influencing the actions of foreign governments.

The documents from 1982 came at a turning-point moment when the Reagan administration was revamping how the U.S. government endeavored to manipulate the internal affairs of governments around the world in the wake of scandals in the 1960s and 1970s involving the Central Intelligence Agency's global covert operations.

Instead of continuing to rely heavily on the CIA, President Reagan and his national security team began offloading many of those "political action" responsibilities to "non-governmental organizations" (NGOs) that operated in a more overt fashion and received funding from other U.S. government agencies.

But secrecy was still required for the involvement of these NGOs in the U.S. government's strategies to bend the political will of targeted countries. If the "political action" of these NGOs were known, many countries would object to their presence; thus, the "secret" classification of the 1982 White House memos that I recently obtained via a "mandatory declassification review" from the archivists at the Reagan presidential library in Simi Valley, California.

In intelligence circles, "political action" refers to a wide range of activities to influence the policies and behaviors of foreign nations, from slanting their media coverage, to organizing and training opposition activists, even to setting the stage for "regime change."

The newly declassified memos from the latter half of 1982 marked an ad hoc period of transition between the CIA scandals, which peaked in the 1970s, and the creation of more permanent institutions to carry out these semi-secretive functions, particularly the National Endowment for Democracy (NED), which was created in 1983.

Much of this effort was overseen by a senior CIA official, Walter Raymond Jr., who was moved to Reagan's National Security Council's staff where he managed a number of interagency task forces focused on "public diplomacy," "psychological operations," and "political action."

Raymond, who had held top jobs in the CIA's covert operations shop specializing in propaganda and disinformation, worked from the shadows inside Reagan's White House, too. Raymond was rarely photographed although his portfolio of responsibilities was expansive. He brought into his orbit emerging "stars," including Lt. Col. Oliver North (a central figure in the Iran-Contra scandal),

State Department propagandist (and now a leading neocon) Robert Kagan, and NED President Carl Gershman (who still heads NED with its \$100 million budget).

Despite his camera avoidance, 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. The drawing fit the reality of Raymond as the behind-the-curtains operative who controlled various high-powered inter-agency task forces.

Earlier declassified documents revealed that Raymond also was the conduit between CIA Director William J. Casey and these so-called “pro-democracy” programs that used sophisticated propaganda strategies to influence not only the thinking of foreign populations but the American people, too.

This history is relevant again now amid the hysteria over alleged Russian “meddling” in last year’s U.S. presidential elections. If those allegations are true – and the U.S. government has still not presented any real proof – the Russian motive would have been, in part, payback for Washington’s long history of playing games with the internal politics of Russia and other countries all across the planet.

A Fight for Money

The newly released memos describe bureaucratic discussions about funding levels for The Asia Foundation (TAF), with the only sensitive topic, to justify the “secret” stamp, being the reference to the U.S. government’s intent to exploit TAF’s programs for “political action” operations inside Asian countries.

Indeed, the opportunity for “political action” under TAF’s cover appeared to be the reason why Reagan’s budget cutters relented and agreed to restore funding to the foundation.

William Schneider Jr. of the Office of Management and Budget wrote in a Sept. 2, 1982 memo that the Budget Review Board (BRB) had axed TAF funding earlier in the year.

“When the BRB last considered this issue on March 29, 1982, it decided not to include funding in the budget for a U.S. Government grant to TAF. The Board’s decision was based on the judgement that given the limited resources available for international affairs programs, funding for the Foundation could not be justified. During that March 29 meeting, the State Department was given the opportunity to fund TAF within its existing budget, but would not agree to do so.”

However, as Schneider noted in the memo to Deputy National Security Advisor Robert McFarlane, "I now understand that a proposal to continue U.S. funding for the Asia Foundation is included in the 'political action' initiatives being developed by the State Department and several other agencies.

"We will, of course, work with you to reconsider the relative priority of support for the Foundation as part of these initiatives keeping in mind, however, the need for identifying budget offsets."

A prime mover behind this change of heart appeared to be Walter Raymond, who surely knew TAF's earlier status as a CIA "proprietary." In 1966, Ramparts magazine exposed that relationship and led the Johnson administration to terminate the CIA's money.

According to an April 12, 1967 memo from the State Department's historical archives, CIA Director Richard Helms, responding to a White House recommendation, "ordered that covert funding of The Asia Foundation (TAF) shall be terminated at the earliest practicable opportunity."

In coordination with the CIA's "disassociation," TAF's board released what the memo described as "a carefully limited statement of admission of past CIA support. In so doing the Trustees sought to delimit the effects of an anticipated exposure of Agency support by the American press and, if their statement or some future expose does not seriously impair TAF's acceptability in Asia, to continue operating in Asia with overt private and official support."

The CIA memo envisioned future funding from "overt U.S. Government grants" and requested guidance from the White House's covert action oversight panel, the 303 Committee, for designation of someone "to whom TAF management should look for future guidance and direction with respect to United States Government interests."

In 1982, with TAF's funding again in jeopardy, the CIA's Walter Raymond rallied to its defense from his NSC post. In an undated memo to McFarlane, Raymond recalled that "the Department of State underscored that TAF had made significant contributions to U.S. foreign policies through fostering democratic institutions and, as a private organization, had accomplished things which a government organization cannot do." [Emphasis in original]

Raymond's bureaucratic intervention worked. By late 1982, the Reagan administration had arranged for TAF's fiscal 1984 funding to go through the U.S. Information Agency (USIA) budget, which was being used to finance a range of President Reagan's "democracy initiatives." Raymond spelled out the arrangements in a Dec. 15, 1982 memo to National Security Advisor William Clark.

"The issue has been somewhat beclouded in the working levels at State since we have opted to fund all FY 84 democracy initiatives via the USIA budgetary submission," Raymond wrote. "At the same time, it is essential State maintain its operational and management role with TAF."

Over the ensuing three and half decades, TAF has continued to be subsidized by U.S. and allied governments. According to its annual report for the year ending Sept. 30, 2016, TAF said it "is funded by an annual appropriation from the U.S. Congress, competitively bid awards from governmental and multilateral development agencies, including the U.S. Agency for International Development, Australian Department of Foreign Affairs and Trade, United Kingdom's Department for International Development and by private foundations and corporations," a sum totaling \$94.5 million.

TAF, which operates in 18 Asian countries, describes its purpose as "improving lives across a dynamic and developing Asia." TAF's press office had no immediate comment regarding the newly released Reagan-era documents.

Far From Alone

But TAF was far from alone as a private organization that functioned with U.S. government money and collaborated with U.S. officials in achieving Washington's foreign policy goals.

For instance, other documents from the Reagan library revealed that Freedom House, a prominent human rights organization, sought advice and direction from Casey and Raymond while advertising the group's need for financial help.

In an Aug. 9, 1982 letter to Raymond, Freedom House executive director Leonard R. Sussman wrote that "Leo Cherne [another senior Freedom House official] 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."

According to the documents, Freedom House remained near the top of Casey's and Raymond's thinking when it came to the most effective ways to deliver the CIA's hardline foreign policy message to the American people and to the international community.

On Nov. 4, 1982, Raymond 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."

In a Jan. 25, 1983 memo, Raymond wrote, "We will move out immediately in our parallel effort to generate private support" for "public diplomacy" operations. Then, on May 20, 1983, Raymond recounted in another memo that \$400,000 had been raised from private donors brought to the White House Situation Room by USIA 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 group.

In an Aug. 9, 1983 memo, Raymond outlined plans to arrange private backing for that effort. He said USIA Director Wick "via [Australian publishing magnate Rupert] Murdoch [sic], may be able to draw down added funds" to support pro-Reagan initiatives. Raymond recommended "funding via Freedom House or some other structure that has credibility in the political center."

[For more on the Murdoch connection, see Consortiumnews.com's "[Rupert Murdoch: Propaganda Recruit.](#)"]

Questions of Legality

Raymond remained a CIA officer until April 1983 when he resigned so in his words "there would be no question whatsoever of any contamination of this" propaganda operation to woo the American people into supporting Reagan's policies.

Raymond fretted, too, about the legality of Casey's role in the effort to influence U.S. public opinion because of the legal prohibition against the CIA influencing U.S. policies and politics. 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 said during his Iran-Contra deposition in 1987. He then offered the excuse that Casey undertook this apparently illegal interference in domestic affairs "not so much in his CIA hat, but in his adviser to the president hat."

In 1983, Casey and Raymond focused on creating a permanent funding mechanism to support private organizations that would engage in propaganda and political action that the CIA had historically organized and paid for covertly. The idea emerged for a congressionally funded entity that would be a conduit for this money.

But Casey recognized the need to hide the strings being pulled by the CIA. In one undated letter to then-White House counselor Edwin Meese III, Casey urged creation of a "National Endowment," but added: "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."

A document in Raymond's files offered examples of what would be funded, including "Grenada – 50 K – To the only organized opposition to the Marxist government of Maurice Bishop (The Seaman and Waterfront Workers Union). A supplemental 50 K to support free TV activity outside Grenada" and "Nicaragua – \$750 K to support an array of independent trade union activity, agricultural cooperatives."

The National Endowment for Democracy took shape in late 1983 as Congress decided to also set aside pots of money – within NED – for the Republican and Democratic parties and for organized labor, creating enough bipartisan largesse that passage was assured.

But some in Congress thought it was important to wall the NED off from any association with the CIA, so a provision was included to bar the participation of any current or former CIA official, according to one congressional aide who helped write the legislation.

This aide told me that one night late in the 1983 session, as the bill was about to go to the House floor, the CIA's congressional liaison came pounding at the door to the office of Rep. Dante Fascell, a senior Democrat on the House Foreign Affairs Committee and a chief sponsor of the bill.

The frantic CIA official conveyed a single message from CIA Director Casey: the language barring the participation of CIA personnel must be struck from the bill, the aide recalled, noting that Fascell consented to the demand, not fully recognizing its significance.

The aide said Fascell also consented to the Reagan administration's choice of Carl Gershman to head the National Endowment for Democracy, again not recognizing how this decision would affect the future of the new entity and American foreign policy.

Gershman, who had followed the classic neoconservative path from youthful

socialism to fierce anticommunism, became NED's first (and, to this day, only) president. Though NED is technically independent of U.S. foreign policy, Gershman in the early years coordinated decisions on grants with Raymond at the NSC.

For instance, on Jan. 2, 1985, Raymond wrote to two NSC Asian experts that "Carl Gershman has called concerning a possible grant to the Chinese Alliance for Democracy (CAD). I am concerned about the political dimension to this request. We should not find ourselves in a position where we have to respond to pressure, but this request poses a real problem to Carl."

Besides clearing aside political obstacles for Gershman, Raymond also urged NED to give money to Freedom House in a June 21, 1985 letter obtained by Professor John Nichols of Pennsylvania State University.

What the documents at the Reagan library make clear is that Raymond and Casey stayed active shaping the decisions of the new funding mechanism throughout its early years. (Casey died in 1987; Raymond died in 2003.)

Lots of Money

Since its founding, NED has ladled out hundreds of millions of dollars to NGOs all over the world, focusing on training activists, building media outlets, and supporting civic organizations. In some geopolitical hotspots, NED may have scores of projects running at once, such as in Ukraine before the 2014 coup that overthrew elected President Viktor Yanukovich and touched off the New Cold War with Russia. Via such methods, NED helped achieve the "political action" envisioned by Casey and Raymond.

From the start, NED also became a major benefactor for Freedom House, beginning with a \$200,000 grant in 1984 to build "a network of democratic opinion-makers." In NED's first four years, from 1984 and 1988, it lavished \$2.6 million on Freedom House, accounting for more than one-third of its total income, according to a study by the liberal Council on Hemispheric Affairs, which was entitled "Freedom House: Portrait of a Pass-Through."

Over the ensuing decades, Freedom House has become almost an NED subsidiary, often joining NED in holding policy conferences and issuing position papers, both organizations pushing primarily a neoconservative agenda, challenging countries deemed insufficiently "free," including Syria, Ukraine (before the 2014 coup) and Russia.

NED and Freedom House often work as a kind of tag-team with NED financing NGOs inside targeted countries and Freedom House berating those governments if they try to crack down on U.S.-funded NGOs.

For instance, on Nov. 16, 2012, NED and Freedom House joined together to denounce a law passed by the Russian parliament requiring Russian recipients of foreign political money to register with the government. Or, as NED and Freedom House framed the issue: the Russian Duma sought to “restrict human rights and the activities of civil society organizations and their ability to receive support from abroad. Changes to Russia’s NGO legislation will soon require civil society organizations receiving foreign funds to choose between registering as ‘foreign agents’ or facing significant financial penalties and potential criminal charges.”

Of course, the United States has a nearly identical Foreign Agent Registration Act that likewise requires entities that receive foreign funding and seek to influence U.S. government policy to register with the Justice Department or face possible fines or imprisonment.

But the Russian law would impede NED’s efforts to destabilize the Russian government through funding of political activists, journalists and civic organizations, so it was denounced as an infringement of human rights and helped justify Freedom House’s rating of Russia as “not free.”

The Russian government’s concerns were not entirely paranoid. On Sept. 26, 2013, Gershman, in effect, charted the course for the crisis in Ukraine and the greater neocon goal of regime change in Russia. In a Washington Post op-ed, Gershman called Ukraine “the biggest prize” and explained how pulling it into the Western camp could contribute to the ultimate defeat of Russian President Vladimir Putin.

“Ukraine’s choice to join Europe will accelerate the demise of the ideology of Russian imperialism that Putin represents,” Gershman wrote. “Russians, too, face a choice, and Putin may find himself on the losing end not just in the near abroad but within Russia itself.”

The long history of the U.S. government interfering covertly or semi-covertly in the politics of countries all over the world is the ironic backdrop to the current frenzy over Russia-gate and Russia’s alleged dissemination of emails that undermined Democratic presidential nominee Hillary Clinton’s campaign.

The allegations are denied by both Putin and WikiLeaks editor Julian Assange who published the Democratic emails – and the U.S. government has presented no solid evidence to support the accusations of “Russian meddling” – but if the charges are true, they could be seen as a case of turnabout as fair play.

Except in this case, U.S. officials, who have meddled ceaselessly with their “political action” operations in countries all over the world, don’t like even

the chance that they could get a taste of their own medicine.

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](#)).

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 crimped 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 Salzmann 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 galleys 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](#)).

How Reagan’s Propaganda Succeeded

From the Archive: The U.S. political/media system is awash in propaganda drowning any rational debate about crucial foreign policy issues. But how did that happen? A key turning point was the Reagan administration’s pushback against public skepticism over Vietnam and CIA scandals of the 1970s, Robert Parry wrote in 2010.

By Robert Parry (Originally published on March 8, 2010)

In the 1980s, CIA propaganda experts and military psy-war specialists oversaw the creation of special programs aimed at managing public perceptions in both targeted foreign countries and the United States, according to declassified documents at Ronald Reagan’s Presidential Library.

These documents discovered in 2010 buttress previously disclosed evidence that President Reagan’s CIA Director William J. Casey played a key behind-the-scenes role in pushing this political action initiative, which recruited well-heeled private-sector conservatives to subsidize the secretive government operations.

The documents show that Casey used a senior CIA propaganda and disinformation specialist named Walter Raymond Jr., who was placed inside the National Security Council in 1982, to oversee the project and to circumvent legal prohibitions against the CIA engaging in propaganda that might influence U.S. public opinion or politics.

Though Raymond formally quit the CIA after going to the NSC, documents from

Raymond's personal NSC files reveal that he often passed on recommendations regarding the propaganda initiative after meetings at CIA headquarters in Langley, Virginia, or after conversations with Casey himself.

In one Nov. 4, 1982, "secret" memo, Raymond described Casey reaching out to right-wing mogul Richard Mellon Scaife, who was already working with other conservative foundation executives to fund right-wing publications, think tanks and activist groups seeking to shift U.S. politics to the Right.

Raymond told then NSC advisor William P. Clark that "Bill Casey asked me to pass on the following thought concerning your [scheduled] meeting with 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."

Besides a desire to "invigorate international media programs," Casey wanted to help U.S.-based organizations, such as Freedom House, that could influence American attitudes about foreign challenges, Raymond said.

"The DCI [Director of Central Intelligence] is also concerned about strengthening public information organizations in the United States such as Freedom House," Raymond told Clark. "To do this we have identified three overt tracks:

"—enhanced federal funding;

"—the Democracy Project study (although publicly funded this will be independently managed);

"—private funds."

"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."

(In the following years, Freedom House emerged as a major recipient of funding from the U.S. government's National Endowment for Democracy, which was founded in 1983. Freedom House became a fierce critic of Nicaragua's leftist Sandinista government, which Reagan and Casey were seeking to overthrow by covertly supporting Contra rebels.)

Returning from Langley

A Dec. 2 note addressed to "Bud," apparently senior NSC official Robert "Bud"

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

While Raymond passed on Casey's instructions, the CIA director told White House officials to play down or conceal the CIA's role.

"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, urging creation of a "National Endowment" that would support "free institutions throughout the world."

On Jan. 21, 1983, Raymond updated Clark about the project, which also was reaching out to representatives from other conservative foundations, including Les Lenkowsky of Smith-Richardson, Michael Joyce of Olin and Dan McMichael of Mellon-Scaife.

"This is designed to develop a broader group of people who will support parallel initiatives consistent with Administration needs and desires," Raymond wrote.

In the late 1970s and through the 1980s, those and other conservative foundations poured millions of dollars into right-wing think tanks, media outlets and anti-journalism attack groups that targeted American reporters who challenged the Reagan administration's propaganda.

The early planning papers also indicated a desire to use this relatively overt system to funnel money to pro-U.S. trade unions in Asia, Africa and Latin America in support of a variety of political operations, including setting up television stations and funding print publications.

Some examples were \$150,000 to a Bolivian trade union; \$50,000 to Peru as a "direct counter to Soviet funding"; \$50,000 to Grenada "to the only organized opposition to the Marxist government of Maurice Bishop (The Seaman and Waterfront Workers Union). A supplemental to support free TV activity outside Grenada"; \$750,000 to Nicaragua "to support an array of independent trade union activity, agricultural cooperatives"; and \$500,000 for "Central America labor publishing house and distribution center for printed materials TV materials, cooperatives, land reform, etc. to counter Marxist literature."

The document's reference to money being spent to counter Bishop's government in Grenada adds weight to long-held suspicions that the Reagan administration engaged in propaganda and destabilization campaigns against Bishop, who was ousted by internal rivals and killed in October 1983, setting the stage for the U.S. invasion of the tiny Caribbean island.

The invasion of Grenada, though condemned by much of the world as an act of U.S. aggression, proved popular in the United States, an important step in readying the American people for larger military adventures ahead.

Taking Shape

Eventually, Casey's concept of a global initiative led to the founding of the National Endowment for Democracy in 1983 ostensibly for the purpose of promoting foreign democratic institutions. But the NED also created a cover for the United States to funnel money to pro-U.S. groups in hostile countries. And it subsidized Washington's growing community of neoconservatives who wrote op-ed articles in leading newspapers and went on TV news shows advocating an aggressive U.S. foreign policy.

Since 1983, NED has been involved in numerous controversies, including allegations that it helped buy the Nicaraguan election in 1990 by spending some \$9 million, including \$4 million poured into the campaign of U.S.-backed candidate Violeta Chamorro.

NED's hand also has been detected in "velvet revolutions" staged in Ukraine, Georgia and other eastern European nations. NED has been active, too, in Iran, fueling government suspicions there that its opposition, which took to the streets after the June 2009 presidential election, represented another U.S.-backed scheme to achieve regime change.

Though many of Raymond's documents at Reagan's Library in Simi Valley, California, remain secret, the material discovered in 2010 and some of the previously released documents offer a panorama of how the administration's perception management campaigns evolved, from the early days of Casey prodding the process forward to later years when Raymond's apparatus grew increasingly powerful and even paranoid.

According to a secret action proposal that Raymond submitted on Dec. 20, 1984, to then national security adviser McFarlane, Raymond wanted an even greater commitment of manpower.

"I have attempted to proceed forward with a whole range of political and information activities," Raymond wrote. "There are a raft of ties to private organizations which are working in tandem with the government in a number of areas ranging from the American Security Council to the Atlantic Council, to the nascent idea of a 'Peace Institute.'"

Among the examples of his "specific activities," Raymond listed "significant expansion of our ability to utilize book publication and distribution as a public diplomacy tool. (This is based on an integrated public-private strategy).

The development of an active PSYOP strategy. Meetings (ad hoc) with selected CIA operational people to coordinate and clarify lines between overt/covert political operations on key areas. Examples: Afghanistan, Central America, USSR-EE [Eastern Europe] and Grenada.”

‘Active Measures’

Another part of Raymond’s domain was “the Soviet Political Action Working Group.” This group discussed what it regarded as “Soviet active measures” and worked on “themes” that soon resonated through Washington, such as the argument regarding “moral equivalents.”

Raymond reported that the “moral equivalents” theme was discussed at the working group’s Dec. 15, 1983, meeting. The idea of “moral equivalents” involved U.S. government officials upbraiding journalists and opinion leaders who tried to apply common moral standards to pro- and anti-U.S. groups.

Reagan administration officials would insist that human rights crimes by the pro-U.S. side of a conflict should not be criticized as severely as similar crimes by the anti-U.S. side because that would apply a “false moral equivalence,” suggesting that the United States was no better than its enemies. To take such a position was regarded as unpatriotic or disloyal.

Along those lines, one of Raymond’s sub-groups, “the Active Measures Working Group,” met “to develop an action plan to turn Soviet active measures back onto the Soviets, i.e. take the offensive.”

Attendees included Raymond and another CIA operations veteran, Ray Warren, a Casey favorite who was placed inside the Pentagon; Herb Romerstein, a former investigator for the House Committee on Un-American Activities; and Robert Kagan, a prominent neoconservative who was an aide to Elliott Abrams at the State Department and later led the Office of Public Diplomacy on Latin America.

The Active Measures Working Group brought in from the Office of the Secretary of Defense and U.S. Special Forces, personnel who specialized in psychological operations, such as a “Col. Paddock (OSD/PSYOP),” a “Mr. Hunter (1st PSYOP Bn)”;

a “Colonel Dunbar (1st PYSOP Bn),” and “Lieutenant Colonel Jacobowitz (DOD/PSYOP).”

In previously disclosed documents, Lt. Col. Daniel “Jake” Jacobowitz was listed as the executive officer inside the State Department’s Office of Public Diplomacy on Latin America, where the White House also placed five psychological warfare specialists from the 4th Psychological Operations Group at Fort Bragg, North Carolina.

The main job of these psy-ops specialists was to pick out incidents in Central America that would rile the U.S. public. In a memo dated May 30, 1985, Jacobowitz explained that the military men were scouring embassy cables "looking for exploitable themes and trends, and [would] inform us of possible areas for our exploitation."

The June 19, 1986, minutes of the working group stated that "Colonel Paddock reported that OSD/PSYOP has been working on some unclassified publications, mainly on Central American issues, in cooperation with State's Office of Latin American Public Diplomacy."

At the working group meeting on July 31, 1986, Col. Paddock passed out copies of a joint Pentagon/State Department publication, "The Challenge to Democracy in Central America," which was then being disseminated to members of Congress, the Washington press corps and the American public.

The publication sought to portray Nicaragua's leftist Sandinista government as a state sponsor of terrorism, a major propaganda theme that the Reagan administration was using to justify its covert support of the contra rebels, who themselves were infamous for acts of terrorism, including extra-judicial executions and attacks on civilian targets.

Chastising the Enemy

Despite the evidence that it was the Reagan administration that was knee-deep in propaganda, the psyop official, "Mr. Hunter" whose fuller identity remained classified in the meeting's minutes briefed the group on what he described as anti-U.S. "disinformation campaigns," including "charges of immoral conduct by US troops in Honduras."

In the world of Raymond's psyop meetings, nearly every negative piece of news about U.S. activities in the world was dismissed as "Soviet active measures," presumably even the fact that some U.S. troops operating in Honduras engaged in what surely could be called "immoral conduct."

Bureaucratic deception was also part of the secret operations inside the NSC. In the mid-1980s, I was told by one senior NSC official that a key early document laying the groundwork for raising money for the contra war in defiance of a congressional prohibition was marked as a "non-paper," so it would not be regarded as an official document (even though it clearly was).

Similarly, Raymond sent one Nov. 28, 1986, memo to an unnamed CIA officer reminding him to attend what Raymond called "the next non-group meeting." So it appears that Reagan's NSC sought to get around requirements for safeguarding historical records by circulating "non-papers" and meeting in "non-groups."

Raymond's domestic propaganda activities were explored by congressional Iran-Contra investigators in 1987. However, their findings faced fierce internal opposition from House and Senate Republicans.

In a bid for bipartisanship, House Democratic committee chairman Lee Hamilton agreed to a compromise in which a chapter on Raymond's operation was dropped while a few segments were inserted elsewhere in the final report.

That meant, however, that the American people never got to read the chapter's stunning conclusion: that the Reagan administration had built a domestic covert propaganda apparatus managed by a CIA disinformation specialist working out of the National Security Council.

"One of the CIA's most senior covert action operators was sent to the NSC in 1983 by CIA Director [William] Casey where he participated in the creation of an inter-agency public diplomacy mechanism that included the use of seasoned intelligence specialists," the chapter's conclusion stated.

"This public/private network set out to accomplish what a covert CIA operation in a foreign country might attempt to sway the media, the Congress, and American public opinion in the direction of the Reagan administration's policies."

Tracing the Origins

The 84-page "lost" chapter, entitled "Launching the Private Network," traced the origins of the propaganda network to President Reagan's "National Security Decision Directive 77" in January 1983 as his administration sought to promote its foreign policy, especially its desire to oust Nicaragua's leftist Sandinista government. [There appear to have been several versions of this "lost chapter." This one I found in congressional files.]

The chapter also cited a Jan. 13, 1983, memo by then-NSC Advisor Clark regarding the need for non-governmental money to advance the cause. "We will develop a scenario for obtaining private funding," Clark wrote.

However, what the newly discovered documents from Raymond's files make clear is that the initiative dated back to 1982 and was pushed more by Casey and his CIA associates than by the NSC advisor.

The "lost chapter" does explain how Reagan administration officials soon began crossing lines that separated an overseas propaganda program from a domestic propaganda operation aimed at U.S. public opinion, the American press and congressional Democrats who opposed contra funding.

"An elaborate system of inter-agency committees was eventually formed and

charged with the task of working closely with private groups and individuals involved in fundraising, lobbying campaigns and propagandistic activities aimed at influencing public opinion and governmental action," the draft chapter said.

The draft chapter doesn't initially use Raymond's name presumably because his work at the CIA remained classified but its description of the CIA officer in charge of the NSC-run propaganda operation clearly refers to Raymond.

According to the draft report, the CIA officer [Raymond] 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 discussed the transfer with [CIA Director] Casey and NSC Advisor William Clark that he be assigned to the NSC [in June 1982] and received approval for his involvement in setting up the public diplomacy program along with his intelligence responsibilities," the chapter said.

"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."

Raymond "helped to set up an elaborate system of inter-agency committees," the draft chapter said, adding:

"In the Spring of 1983, the network began to turn its attention toward beefing up the Administration's capacity to promote American support for the Democratic Resistance in Nicaragua [the contras] and the fledgling democracy in El Salvador.

"This effort resulted in the creation of the Office of Public Diplomacy for Latin America and the Caribbean in the Department of State (S/LPD), headed by Otto Reich," a right-wing Cuban exile from Miami.

Stiffing Shultz

Though Secretary of State George Shultz wanted the office under his control, President Reagan insisted that Reich "report directly to the NSC," where Raymond oversaw the operations as a special assistant to the President and the NSC's director of international communications, the chapter said.

"At least for several months after he assumed this position, Raymond also worked on intelligence matters at the NSC, including drafting a Presidential Finding for Covert Action in Nicaragua in mid-September" 1983, the chapter said.

In other words, although Raymond was shifted to the NSC staff in part to evade prohibitions on the CIA influencing U.S. public opinion, his intelligence and propaganda duties overlapped for a time as he was in the process of retiring from the spy agency.

And despite Raymond's formal separation from the CIA, he acted toward the U.S. public much like a CIA officer would in directing a propaganda operation in a hostile foreign country. He was the go-to guy to keep this political action operation on track.

"Reich relied heavily on Raymond to secure personnel transfers from other government agencies to beef up the limited resources made available to S/LPD by the Department of State," the chapter said.

"Personnel made available to the new office included intelligence specialists from the U.S. Air Force and the U.S. Army. On one occasion, five intelligence experts from the Army's 4th Psychological Operations Group at Fort Bragg, North Carolina, were assigned to work with Reich's fast-growing operation.

"White House documents also indicate that CIA Director Casey had more than a passing interest in the Central American public diplomacy campaign."

The chapter cited an Aug. 9, 1983, memo written by Raymond describing Casey's participation in a meeting with public relations specialists to brainstorm how "to sell a 'new product' Central America by generating interest across-the-spectrum."

In an Aug. 29, 1983, memo, Raymond recounted a call from Casey pushing his P.R. ideas. Alarmed at a CIA director participating so brazenly in domestic propaganda, Raymond wrote that "I philosophized a bit with Bill Casey (in an effort to get him out of the loop)" but with little success.

The chapter added: "Casey's involvement in the public diplomacy effort apparently continued throughout the period under investigation by the Committees," including a 1985 role in pressuring Congress to renew contra aid and a 1986 hand in further shielding S/LPD from the oversight of Shultz.

Casey even monitored personnel changes. A Raymond-authored memo to Casey in August 1986 described the shift of S/LPD then run by neoconservative theorist Kagan who had replaced Reich to the control of the Bureau of Inter-American Affairs, which was headed by Assistant Secretary of State Elliott Abrams, another prominent neoconservative.

Oliver North and Friends

Another important figure in the pro-contra propaganda was NSC staffer Oliver North, who spent a great deal of his time on the Nicaraguan public diplomacy operation even though he is better known for arranging secret arms shipments to the contras and to Iran's radical Islamic government, leading to the Iran-Contra scandal.

The draft chapter cited a March 10, 1985, memo from North describing his assistance to CIA Director Casey in timing the disclosures of pro-contra news "aimed at securing Congressional approval for renewed support to the Nicaraguan Resistance Forces."

However, the discarding of the draft chapter and the ultimate failure of the Iran-Contra report to fully explain the danger of CIA-style propaganda intruding into the U.S. political process had profound future consequences. Indeed, the evidence suggests that the Casey-Raymond media operations of the 1980s helped bring the Washington press corps to its knees, where it has remained most of the time through today.

To soften up the Washington press corps, Reich's S/LPD targeted U.S. journalists who reported information that undermined the administration's propaganda themes. Reich sent his teams out to lobby news executives to remove or punish out-of-step reporters with a disturbing degree of success.

In March 1986, Reich reported that his office was taking "a very aggressive posture vis-à-vis a sometimes hostile press" and "did not give the critics of the policy any quarter in the debate." [For details, see Parry's [Lost History](#).]

Though Casey died in 1987 and Raymond in 2003, some U.S. officials implicated in the propaganda operations remain important Washington figures, bringing the lessons of the 1980s into the new century.

For instance, Elliott Abrams though convicted of misleading Congress in the Iran-Contra Affair and later pardoned by President George H.W. Bush returned as deputy advisor to George W. Bush's NSC, where Abrams oversaw U.S.-Middle East policy. Oliver North landed a show on Fox News. Otto Reich was an adviser to John McCain's presidential campaign in 2008 (and was a foreign policy spokesman for Mitt Romney's campaign in 2012).

Kagan writes influential op-eds for the Washington Post and was a senior associate at the Carnegie Institute for International Peace (before moving to the Brookings Institution. Kagan also co-founded the Project for the New American Century, which advocated for the invasion of Iraq, and he is the husband of Assistant Secretary of State for European Affairs Victoria Nuland, who oversaw the U.S.-backed coup in Ukraine in February 2014). [See

Consortiumnews.com's "[A Family Business of Perpetual War.](#)"]

Oliver North landed a show on Fox News. Otto Reich was an adviser to John McCain's presidential campaign in 2008 (and was a foreign policy spokesman for Mitt Romney's campaign in 2012).

Beyond the individuals, the manipulative techniques that were refined in the 1980s especially the skill of exaggerating foreign threats have proved durable. Such scare tactics brought large segments of the American population into line behind the Iraq War in 2002-03.

It took years and many thousands of deaths before Americans realized they had been manipulated by deceptive propaganda, that their perceptions had been managed.

In his book, *What Happened: Inside the Bush White House and Washington's Culture of Deception*, Bush's former White House press secretary Scott McClellan described Iraq War propaganda tactics that would have been familiar to Casey and Raymond.

From his insider vantage point, McClellan cited the White House's "carefully orchestrated campaign to shape and manipulate sources of public approval" and he called the Washington press corps "complicit enablers."

The documents in Raymond's files at the Reagan Library offer a glimpse at how these manipulative techniques took root.

[For more recent document discoveries at the Reagan Library, including the recruitment of publisher Rupert Murdoch, see Consortiumnews.com's "[Murdoch, Scaife and CIA Propaganda](#)" and "[How Roy Cohn Helped Rupert Murdoch.](#)"]

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](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#).

Nuland's Mastery of Ukraine Propaganda

Exclusive: In House testimony, Assistant Secretary of State Victoria Nuland

blamed Russia and ethnic-Russian rebels for last summer's shoot-down of MH-17 over Ukraine, but the U.S. government has not substantiated that charge. So, did Nuland mislead Congress or just play a propaganda game, asks Robert Parry.

By Robert Parry

An early skill learned by Official Washington's neoconservatives, when they were cutting their teeth inside the U.S. government in the 1980s, was how to frame their arguments in the most propagandistic way, so anyone who dared to disagree with any aspect of the presentation seemed unpatriotic or crazy.

During my years at The Associated Press and Newsweek, I dealt with a number of now prominent neocons who were just starting out and mastering these techniques at the knee of top CIA psychological warfare specialist Walter Raymond Jr., who had been transferred to President Ronald Reagan's National Security Council staff where Raymond oversaw inter-agency task forces that pushed Reagan's hard-line agenda in Central America and elsewhere. [See Consortiumnews.com's "[The Victory of 'Perception Management.'](#)"]

One of those quick learners was Robert Kagan, who was then a protégé of Assistant Secretary of State Elliott Abrams. Kagan got his first big chance when he became director of the State Department's public diplomacy office for Latin America, a key outlet for Raymond's propaganda schemes.

Though always personable in his dealings with me, Kagan grew frustrated when I wouldn't swallow the propaganda that I was being fed. At one point, Kagan warned me that I might have to be "controversialized," i.e. targeted for public attack by Reagan's right-wing media allies and anti-journalism attack groups, like Accuracy in Media, a process that did indeed occur.

Years later, Kagan emerged as one of America's top neocons, a co-founder of the Project for the New American Century, which opened in 1998 to advocate for the U.S. invasion of Iraq, ultimately gaining the backing of a large swath of the U.S. national security establishment in support of that bloody endeavor.

Despite the Iraq disaster, Kagan continued to rise in influence, now a senior fellow at the Brookings Institution, a columnist at the Washington Post, and someone whose published criticism so alarmed President Barack Obama last year that he invited Kagan to a White House lunch. [See Consortiumnews.com's "[Obama's True Foreign Policy Weakness.](#)"]

Kagan's Wife's Coup

But Kagan is perhaps best known these days as the husband of neocon Assistant Secretary of State for European Affairs Victoria Nuland, one of Vice President

Dick Cheney's former advisers and a key architect of last year's coup in Ukraine, a "regime change" that toppled an elected president and touched off a civil war, which now has become a proxy fight involving nuclear-armed United States and Russia.

In an interview last year with the New York Times, Nuland indicated that she shared her husband's criticism of President Obama for his hesitancy to use American power more assertively. Referring to Kagan's public attacks on Obama's more restrained "realist" foreign policy, Nuland said, "suffice to say that nothing goes out of the house that I don't think is worthy of his talents. Let's put it that way."

But Nuland also seems to have mastered her husband's skill with propaganda, presenting an extreme version of the situation in Ukraine, such that no one would dare quibble with the details. In prepared testimony to the House Foreign Affairs Committee last week, Nuland even slipped in an accusation blaming Russia for the July 17 shoot-down of Malaysia Airlines Flight 17 though the U.S. government has not presented any proof.

Nuland testified, "In eastern Ukraine, Russia and its separatist puppets unleashed unspeakable violence and pillage; MH-17 was shot down."

Now, it's true that if one parses Nuland's testimony, she's not exactly saying the Russians or the ethnic Russian rebels in eastern Ukraine shot down the plane. There is a semi-colon between the "unspeakable violence and pillage" and the passive verb structure "MH-17 was shot down." But anyone seeing her testimony would have understood that the Russians and their "puppets" shot down the plane, killing all 298 people onboard.

When I submitted a formal query to the State Department asking if Nuland's testimony meant that the U.S. government had developed new evidence that the rebels shot down the plane and that the Russians shared complicity, I received no answer.

Perhaps significantly or perhaps not, Nuland presented similarly phrased testimony to the Senate Foreign Relations Committee on Tuesday but made no reference to MH-17. So, I submitted a new inquiry asking whether the omission reflected second thoughts by Nuland about making the claim before the House. Again, I have not received a reply.

However, both of Nuland's appearances place all the blame for the chaos in Ukraine on Russia, including the 6,000 or more deaths. Nuland offered not a single word of self-criticism about how she contributed to these violent events by encouraging last year's coup, nor did she express the slightest concern about

the actions of the coup regime in Kiev, including its dispatch of neo-Nazi militias to carry out “anti-terrorist” and “death squad” operations against ethnic Russians in eastern Ukraine. [See Consortiumnews.com’s [“Nuclear War and Clashing Ukraine Narratives.”](#)]

Russia’s Fault

Everything was Russia’s fault or as Nuland phrased it: “This manufactured conflict, controlled by the Kremlin; fueled by Russian tanks and heavy weapons; financed at Russian taxpayers’ expense, has cost the lives of more than 6,000 Ukrainians, but also of hundreds of young Russians sent to fight and die there by the Kremlin, in a war their government denies.”

Nuland was doing her husband proud. As every good propagandist knows, you don’t present events with any gray areas; your side is always perfect and the other side is the epitome of evil. And, today, Nuland faces almost no risk that some mainstream journalist will dare contradict this black-and-white storyline; they simply parrot it.

Besides heaping all the blame on the Russians, Nuland cited in her Senate testimony some of the new “reforms” that the Kiev authorities have just implemented as they build a “free-market state.” She said, “They made tough choices to reduce and cap pension benefits, increase work requirements and phase in a higher retirement age; they passed laws cutting wasteful gas subsidies.”

In other words, many of the “free-market reforms” are aimed at making the hard lives of average Ukrainians even harder by cutting pensions, removing work protections, forcing people to work into their old age and making them pay more for heat during the winter.

Nuland also hailed some of the regime’s stated commitments to fighting corruption. But Kiev seems to have simply installed a new cast of bureaucrats looking to enrich themselves. For instance, Ukraine’s Finance Minister Natalie Jaresko is an expatriate American who before becoming an instant Ukrainian citizen last December ran a U.S. taxpayer-financed investment fund for Ukraine that was drained of money as she engaged in lucrative insider deals, which she has fought to keep secret. [See Consortiumnews.com’s [“Ukraine’s Finance Minister’s American ‘Values.’”](#)]

Yet, none of these concerns were mentioned in Nuland’s propagandistic testimony to the House and Senate not that any of the committee members or the mainstream press corps seemed to care that they were being spun and even misled. The hearings were mostly opportunities for members of Congress to engage in chest-beating as they demanded that President Obama send U.S. arms to Ukraine for a

hot war with Russia.

Regarding the MH-17 disaster, one reason that I was inquisitive about Nuland's insinuation in her House testimony that the Russians and the ethnic Russian rebels were responsible was that some U.S. intelligence analysts have reached a contrary conclusion, according to a source briefed on their findings. According to that information, the analysts found no proof that the Russians had delivered a BUK anti-aircraft system to the rebels and concluded that the attack was apparently carried out by a rogue element of the Ukrainian military.

After I published that account last summer, the Obama administration went silent about the MH-17 shoot-down, letting stand some initial speculation that had blamed the Russians and the rebels. In the nearly eight months since the tragedy, the U.S. government has failed to make public any intelligence information on the crash. [See Consortiumnews.com's "[The Danger of an MH-17 'Cold Case.'](#)"]

So, Nuland may have been a bit duplicitous when she phrased her testimony so that anyone hearing it would jump to the conclusion that the Russians and the rebels were to blame. It's true she didn't exactly say so but she surely knew what impression she was leaving.

In that, Nuland appears to have taken a page from the playbook of her husband's old mentor, Elliott Abrams, who provided misleading testimony to Congress on the Iran-Contra Affair in the 1980s and even though he was convicted of that offense, Abrams was pardoned by President George H.W. Bush and thus was able to return to government last decade to oversee the selling of the Iraq War.

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](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#).

How Roy Cohn Helped Rupert Murdoch

Special Report: Through Fox News and a vast media empire, Rupert Murdoch wields enormous political clout in the United States, but his entrée into the world of Washington power came from the notorious McCarthyite Roy Cohn who opened the

door into Ronald Reagan's Oval Office, reports Robert Parry.

By Robert Parry

Rupert Murdoch, the global media mogul who is now a kingmaker in American politics, was brought into those power circles by the infamous lawyer/activist Roy Cohn who arranged Murdoch's first Oval Office meeting with President Ronald Reagan in 1983, according to documents released by Reagan's presidential library.

"I had one interest when Tom [Bolan] and I first brought Rupert Murdoch and Governor Reagan together and that was that at least one major publisher in this country would become and remain pro-Reagan," Cohn wrote in a Jan. 27, 1983 letter to senior White House aides Edwin Meese, James Baker and Michael Deaver. "Mr. Murdoch has performed to the limit up through and including today."

The letter noted that Murdoch then owned the "New York Post over one million, third largest and largest afternoon; New York Magazine; Village Voice; San Antonio Express; Houston Ring papers; and now the Boston Herald; and internationally influential London Times, etc." Cohn sent the letter nine days after Murdoch met Reagan in the Oval Office along with Cohn, his legal partner Thomas Bolan, and U.S. Information Agency Director Charles Wick.

In a photograph of the Jan. 18, 1983 meeting, Cohn is shown standing and leaning toward Reagan who is seated next to Murdoch. Following that meeting, Murdoch became involved in a privately funded propaganda project to help sell Reagan's hard-line Central American policies, according to other documents. That PR operation was overseen by senior CIA propaganda specialist Walter Raymond Jr. and CIA Director William Casey, but the details of Murdoch's role remain sketchy partly because some of the records are still classified more than three decades later.

However, at my request, the Reagan Presidential Library in Simi Valley, California, released a batch of documents about Roy Cohn's contacts with the Reagan White House. Most of the documents revealed a warm personal relationship between Cohn and Reagan, with exchanges of effusive compliments, handwritten thank-you notes and birthday greetings.

Both Cohn and Reagan got their starts in politics during the anti-communist purges in the 1950s, Cohn as Sen. Joe McCarthy's chief counsel and Reagan as a witness against alleged communists in Hollywood. Cohn, a hardball political player, built his reputation as both an anti-communist and anti-gay crusader who aggressively interrogated witnesses during the Red Scare and the Lavender Scare, claiming that the U.S. government was infiltrated by communists and homosexuals

who threatened the nation's security.

Cohn's high-profile role in the McCarthy hearings ultimately ended when he was forced to resign over charges that he targeted the U.S. Army for an anti-communist purge because it had refused to give preferential treatment to one of his close associates, G. David Shine. Though Cohn denied he was romantically involved with Shine and a homosexual relationship was never proven Cohn's own homosexuality became publicly known after he underwent treatment for AIDS in the 1980s, leading to his death in 1986.

However, in the years before he died, Cohn gained some measure of revenge against his liberal enemies by helping to elect Ronald Reagan. Roger Stone, another Cohn associate, has asserted that at Cohn's initiative he delivered an apparent bribe to a leader of New York's Liberal Party in 1980 to arrange the endorsement of independent candidate John Anderson, who then siphoned off 7.5 percent of the vote and opened the way for Reagan to carry New York against President Jimmy Carter.

Stone described the transaction in a 2007 [article](#) by Matt Labash in The Weekly Standard, with Stone noting that he was speaking only after the statute of limitation on bribery had run. Stone described a discussion with Cohn about a \$125,000 cash payment "to grease the skids" for the Liberal Party's endorsement of Anderson and then recounted Cohn's instructions that he deliver a suitcase to a law office two days before the Liberal Party, indeed, did endorse Anderson.

Cohn's Murdoch Ties

Whatever Reagan's personal knowledge of that scheme, the conservative Republican President subsequently lavished favors on Cohn, including invitations to White House events, personal thank-you notes and friendly birthday wishes. But perhaps nothing was more important to Reagan than Cohn's ability to deliver Murdoch, then an Australian citizen, as a stalwart media ally.

According to the documents from the Reagan library, Cohn's relationship with Murdoch apparently developed around their mutual commitment to Israel. For instance, [one set of documents](#) described Cohn's intervention with Reagan to get the President to praise Murdoch's 1982 receipt of an award from the American Jewish Congress as its first "Communications Man of the Year."

Handwritten notes cite Murdoch's "steadfast support of Israel + free + outspoken support of free press" and point to Cohn as the contact. On April 20, 1982, Reagan extended his and his wife Nancy's congratulations to Murdoch.

Cohn, a notable socialite, further ingratiated himself to Reagan's insiders by co-hosting a lunch on June 28, 1982, for USIA Director Wick, which also counted

as guests Roger Stone and the New York Post's Niles Lathem, according to a document.

By late 1982, the Reagan administration was gearing up for an expanded propaganda push in support of the President's hard-line policies in Central America, including support for the Salvadoran and Guatemalan militaries both notorious for their human rights violations and for the Nicaraguan Contra rebels who also were gaining an unsavory reputation for acts of terrorism and brutality.

This PR campaign was spearheaded by CIA Director Casey and Raymond, one of the CIA's top covert operation specialists who was transferred to the National Security Council staff to minimize legal concerns about the CIA violating its charter which bars influencing the American public. To further shield the CIA from possible fallout from this domestic propaganda operation, Casey and Raymond sought to arrange private financing to pay for some activities.

On Jan. 13, 1983, NSC Advisor William Clark noted in a memo to Reagan the need for non-governmental money to advance the PR project. "We will develop a scenario for obtaining private funding," Clark wrote, as cited in an unpublished draft chapter of the congressional Iran-Contra investigation. Clark then told the President that "Charlie Wick has offered to take the lead. We may have to call on you to meet with a group of potential donors."

Five days later, on Jan. 18, 1983, Roy Cohn accompanied Rupert Murdoch into the Oval Office for a face-to-face meeting with President Reagan and USIA Director Wick.

Nine days later, in the Jan. 27, 1983 letter to Meese, Baker and Deaver written on the letterhead of the Saxe, Bacon & Bolan law firm Cohn hailed the success of Murdoch's "warm meeting with the President and the goodwill created by Charlie Wick's dinner."

Murdoch's Thin Skin

But Cohn also passed on Murdoch's annoyance at "consistent slights that have been dealt to Niles Lathem, the head of the News Media (Murdoch) bureau in Washington, while the Reagan haters on TV and in the media have the run of the place."

Cohn complained that Reagan, during a trip to Boston on Jan. 26, 1983, had ignored Murdoch's offer "to turn the Boston Herald over to him. Mr. Murdoch himself placed calls to Michael Deaver and to a Mr. Michael McManus [a deputy assistant to the President], none of which were ever returned to him. One of his editors at the Boston Herald was told that the President 'had no time for

them.'”

Cohn continued: “Mr. Murdoch has been deeply disturbed at what he regards as a failure to stand by some basics in the President’s original program, which he believes to be correct. His advice is consistently sought by Mrs. [British Prime Minister Margaret] Thatcher and Prime Minister [Malcolm] Fraser of Australia, in both of which countries he owns extensive media interests. he is not the kind who is offended when his advice is not taken but he does appreciate being treated courteously and having at least the same courtesies extended to his Washington reporters as seem to be heaped upon the opposition.

“He is hurt at the way the Boston matter was handled and there is just so much that Tom [Bolan] and I can do. Because I believe that the total support and loyalty of at least one major publishing chain in this nation is of key importance to the President, and because of our admiration and affection for the President, I thought I would be less than forthright if I did not bring this situation to the attention of the three of you.

“I know how hectic things are there but if there is time for the enemy there must be just a little time for at least a thoughtful handling of a friend unlike what happened in Boston.”

The letter got the attention of the three senior White House aides, with Reagan’s chief of staff Baker writing a note to Deaver, “why don’t we have someone draft a response from the 3 of us. Can you arrange?”

On Feb. 4, 1983, McManus, the deputy assistant to the President, offered an apology to Cohn: “we were all sorry about the confusion surrounding a possible Presidential visit to the Boston Herald. We are all aware of the very positive nature of such a visit. Unfortunately the request came in after the visit had been planned and the President’s schedule was full.

“I also called Mr. Murdoch as you suggested, explained the situation to him and apologized for any confusion. I am sure you are aware of our continued high regard for Mr. Murdoch personally and our appreciation of the importance of what he is doing.”

Despite the fulsome apology, Cohn continued to complain about perceived slights against Murdoch’s publications. In an April 28, 1983 letter, Cohn told Wick: “I write you in desperation, because you have always recognized the importance to the President of Rupert Murdoch, probably the world’s most powerful publisher, whose papers played a key role in carrying close states for Ronald Reagan in 1980 But all of our hard work to get the Murdoch papers an even break with those that opposed Reagan some in vicious terms comes to naught because there are some

people in the White House who don't have the sense to know friends from enemies."

Cohn expressed Murdoch's dismay that Reagan, during a speech in New York, seemed to favor the New York Daily News over the New York Post, saying "in remarks prepared for and delivered by the President not once but twice the President asked people to follow the fight against crime by reading the Daily News. The Post people walked out. The News supported [George H.W.] Bush over Reagan, and then barely squeaked out an endorsement over Carter as the lesser of evils. The Post and the other Murdoch papers gave their blood on a daily basis for Ronald Reagan, and I know Bill Casey, Roger Stone, Tom Bolan, etc. will confirm that without the Post, Reagan could not have carried New York.

"To say that all the good you tried to do, and I tried to do, and the President did in his meeting with Rupert has been severely damaged by this second insult, is an understatement. As of now, tempers are so hot that I would wait for things to cool off. I believe in Ronald Reagan and it hurts me to see him victimized this way from within. How many of these screw-ups can he survive?"

In a May 2, 1983 addendum to the complaint, Cohn added: "The lead News opinion column every Sunday is written by Ken Auletta, a consistent attacker of the President, and the one who just spearheaded the drive against Ken Adelman's confirmation, carrying it to the point of personally appearing before the Senate Foreign Relations Committee to call Ken a liar. With friends like the News, the President does not need enemies."

On the same day that Cohn fired off the complaint about Auletta, Murdoch served as an honorary chairman of a testimonial dinner in honor of Cohn sponsored by the B'nai B'rith Banking and Finance Lodge and the Banking and Finance Division of State of Israel Bonds. President Reagan sent a congratulatory telegram to Cohn.

Propaganda Campaign

Despite Cohn's complaints about the alleged slights to Murdoch, the Australian media magnate appears to have pitched in to help the Casey-Raymond outreach program for Reagan's Central American policies. Documents released during the Iran-Contra scandal in 1987 and later from the Reagan library indicate that Murdoch was soon viewed as a source for the private funding.

On May 20, 1983, the longtime CIA propagandist Raymond, from his perch inside the NSC, wrote that \$400,000 had been raised from private donors brought to the White House situation room by USIA Director Wick, with the funds divided among several organizations including the right-wing Accuracy in Media and the

neoconservative Freedom House (which later denied receiving White House money, though it made little sense that Raymond would lie in an internal memo).

As the White House continued to cultivate its ties to Murdoch, Reagan held a second Oval Office meeting with Murdoch – on July 7, 1983 – who was accompanied by Charles Douglas-Home, the editor of Murdoch’s flagship UK newspaper, the London Times.

In an Aug. 9, 1983 memo summing up the results of a Casey-organized meeting with five leading ad executives regarding how to “sell” Reagan’s aggressive policies in Central America, Raymond referred to Murdoch as if he were one of the benefactors helping out. In a memo to Clark, entitled “Private Sector Support for Central American Program,” Raymond criticized a more traditional White House outreach program headed by Faith Whittlesey as “preaching to the converted.”

Raymond told Clark that the new project would involve a more comprehensive approach aimed at persuading a majority of Americans to back Reagan’s Central American policies. “We must move out into the middle sector of the American public and draw them into the ‘support’ column,” Raymond wrote. “A second package of proposals deal with means to market the issue, largely considering steps utilizing public relations specialists or similar professionals to help transmit the message.”

To improve the project’s chances for success, Raymond wrote, “we recommended funding via Freedom House or some other structure that has credibility in the political center. Wick, via Murdoch, may be able to draw down added funds for this effort.”

Raymond included similar information in a separate memo to Wick in which Raymond noted that “via Murdock [sic] may be able to draw down added funds” to support the initiative. (Raymond later told me that he was referring to Rupert Murdoch.)

In a March 7, 1984 memo about the “‘Private Funders’ Project,” Raymond referred to Murdoch again in discussing a request for money from longtime CIA-connected journalist Brian Crozier, who was “looking for private sector funding to work on the question of ‘anti-Americanism’ overseas.”

Raymond wrote: “I am persuaded [sic] it is a significant long term problem. It is also the kind of thing that Ruppert [sic] and Jimmy might respond positively to. Please look over the stack [of papers from Crozier] and lets [sic] discuss if and when there might be further discussion with our friends.”

Crozier, who died in 2012, had a long history of operating in the shadowy world of CIA propaganda. He was director of *Forum World Features*, which was set up in 1966 by the Congress for Cultural Freedom, which received covert funding from

the CIA. Crozier also acknowledged in his memoir keeping some of his best stories for the CIA.

At least one other document related to Murdoch's work with USIA Director Wick remains classified, according to the National Archives. Murdoch's News Corp. has not responded to several requests for comment about the Reagan-era documents.

According to the new documents released by the Reagan library, Reagan and Cohn continued to exchange mutual praise, sometimes in handwritten messages. On March 28, 1985, Cohn sent Reagan a handwritten letter thanking the President for contributing a video tribute in support of Cohn's receipt of the Americanism Award from the Young Republicans.

"I count many blessings, but none more meaningful than the privilege of living through the Ronald Reagan era which represents everything I have loved since I joined the Justice Department at age 19 our great country, and the opportunity it offers for the election of a man of your greatness to lead it."

In his own hand, Reagan drafted the reply, writing: "I know I'm sending a thank you in answer to a thank you but in this case it's to express to you appreciation for your generous words. You were more than kind."

The last dated communication from Reagan to Cohn in the files was a "Get-Well message" on Nov. 22, 1985, saying: "I just learned that you are being sent home from the hospital tomorrow. Nancy and I are keeping you in our thoughts and prayers. May our Lord bless you with courage and strength. Take care and know that you have our concern."

At the time, Cohn was suffering from AIDS, though he claimed that his illness was liver cancer. He died on Aug. 2, 1986, due to complications from AIDS, the disease that was then ravaging the gay community in the United States and other countries. He was 59.

Among the ironies of his death was Cohn's history of purging gays and Lesbians from the U.S. government as security risks, a policy put in place by President Dwight Eisenhower in 1953 in response to the Lavender Scare generated by Cohn and McCarthy and not rescinded until 1995 by President Bill Clinton. Another irony was that President Reagan, when faced with the devastating AIDS epidemic, failed to respond aggressively to the crisis because many religious conservatives considered the disease God's punishment of homosexuals.

Murdoch's Rise

Meanwhile, with the close ties to the Reagan White House that Cohn helped nurture, Murdoch's media empire continued to grow. To meet a regulatory

requirement that U.S. TV stations must be owned by Americans, Murdoch became a naturalized citizen of the United States in 1985.

Murdoch benefited from the Reagan administration's relaxation of media ownership rules which enabled him to buy more TV stations, which he then molded into the Fox Broadcasting Company, which was founded on Oct. 9, 1986.

In 1987, the "Fairness Doctrine," which required political balance in broadcasting, was eliminated, which let Murdoch pioneer a more aggressive conservatism on his TV network. In the mid-1990s, Murdoch expanded his political reach by founding the neoconservative Weekly Standard in 1995 and Fox News on cable in 1996. At Fox News, Murdoch hired scores of prominent politicians, mostly Republicans, putting them on his payroll as commentators.

Last decade, Murdoch continued to expand his reach into U.S. mass media, acquiring DirecTV and the financial news giant Dow Jones, including The Wall Street Journal, America's leading business news journal.

Murdoch parlayed his extraordinary media power into the ability to make or break political leaders, especially in the United States and the United Kingdom. In December 2014, the UK's Independent reported that Ed Richards, the retiring head of the British media regulatory agency Ofcom, accused British government representatives of showing favoritism to Murdoch's companies.

Richards said he was "surprised" by the informality, closeness and frequency of contact between executives and ministers during the failed bid by Murdoch's News Corp. for the satellite network BSkyB in 2011. The deal was abandoned when it was discovered that journalists at Murdoch's *News of the World* tabloid had hacked the phone of murdered schoolgirl Milly Dowler and others.

"What surprised everyone about it not just me was quite how close it was and the informality of it," Richards said, confirming what had been widely reported regarding Murdoch's access to powerful British politicians dating back at least to the reign of Prime Minister Thatcher in the 1980s. The Reagan documents suggest that Murdoch built similarly close ties to leading U.S. politicians in the same era.

On Wednesday, the New York Times reported that Murdoch, now 83, was using his extraordinary media power among conservatives to block Mitt Romney from gaining the Republican presidential nomination for a second time – and instead was favoring Jeb Bush.

"In the delicate and unseen campaign underway for Mr. Murdoch's affections in the next presidential campaign, this much is clear: Mr. Romney is out of the running, a reality that has pained and angered his allies," the Times reported.

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](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#).

CIA's Hidden Hand in 'Democracy' Groups

Special Report: Documents from the Reagan presidential library reveal that two major institutions promoting "democracy" and "freedom" – Freedom House and National Endowment for Democracy – worked hand-in-glove, behind-the-scenes, with a CIA propaganda expert in the 1980s, reports Robert Parry.

By Robert Parry

Freedom House and the National Endowment for Democracy stress their commitment to freedom of thought and democracy, but both cooperated with a CIA-organized propaganda operation in the 1980s, according to documents released by Ronald Reagan's presidential library.

One document showed senior Freedom House official Leo Cherne clearing a draft manuscript on political conditions in El Salvador with CIA Director William 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 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.”

Cherne, who was chairman of Freedom House’s executive committee, also joined in angling for financial support from a propaganda program that Casey initiated in 1982 under one of the CIA’s top covert action specialists, Walter Raymond Jr., who was moved to President Ronald Reagan’s National Security Council staff.

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.

According to the documents, Freedom House remained near the top of Casey’s thinking when it came to the most effective way to deliver his hardline policy message to the American people in ways they would be inclined to accept, i.e., coming from ostensibly independent sources with no apparent ties to the government.

On Nov. 4, 1982, Raymond wrote to NSC Advisor William 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.

In effect, like snake-oil salesmen who plant a few cohorts in the audience 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."

In a Jan. 25, 1983 memo, Raymond wrote, "We will move out immediately in our parallel effort to generate private support" for "public diplomacy" operations. Then, on May 20, 1983, Raymond recounted in another 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.

In an Aug. 9, 1983 memo, Raymond outlined plans to arrange private backing for that effort. He said USIA Director Wick "via [Australian publishing magnate Rupert] Murdoch [sic], may be able to draw down added funds" to support pro-Reagan initiatives. Raymond recommended "funding via Freedom House or some other structure that has credibility in the political center." [For more details, see Consortiumnews.com's "[Murdoch, Scaife and CIA Propaganda.](#)"]

Questions of Legality

Raymond remained a CIA officer until April 1983 when he resigned so in his words "there would be no question whatsoever of any contamination of this" propaganda operation to woo the American people into supporting Reagan's policies.

But Raymond, who had been one of the CIA's top propaganda and disinformation specialists, 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 role in the effort to influence U.S. public opinion because of the legal prohibition against the CIA influencing U.S. policies and politics. 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 said during his Iran-Contra deposition in 1987. He then offered the excuse that Casey undertook this apparently illegal interference in domestic affairs “not so much in his CIA hat, but in his adviser to the president hat.”

As the Casey-Raymond propaganda operation expanded during the last half of Reagan’s first term, Freedom House continued to keep Raymond abreast of its work on Central America, with its attitudes dovetailing with Reagan administration’s policies particularly in condemning Nicaragua’s Sandinista government.

Freedom House also 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 galleys 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 do not indicate what subsequently happened to this proposal. McColm did not respond to an email request for comment about the Nicaraguan Papers plan or Cherne’s earlier letter to Casey about editing McComb’s manuscript. Raymond died in 2003; Cherne died in 1999; and Casey died in 1987.

But it is clear that Freedom House became a major recipient of funds from the National Endowment for Democracy, which Casey and Raymond helped create in 1983.

Financing Propaganda

In 1983, Casey and Raymond focused on creating a funding mechanism to support Freedom House and other outside groups that would engage in propaganda and political action that the CIA had historically organized and paid for covertly. The idea emerged for a congressionally funded entity that would serve as a conduit for this money.

But Casey recognized the need to hide the strings being pulled by the CIA. “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.”

A document in Raymond’s files offered examples of what would be funded, including “Grenada – 50 K – To the only organized opposition to the Marxist government of Maurice Bishop (The Seaman and Waterfront Workers Union). A supplemental 50 K to support free TV activity outside Grenada” and “Nicaragua – \$750 K to support an array of independent trade union activity, agricultural cooperatives.”

The National Endowment for Democracy took shape in late 1983 as Congress decided to also set aside pots of money – within NED – for the Republican and Democratic parties and for organized labor, creating enough bipartisan largesse that passage was assured.

But some in Congress thought it was important to wall the NED off from any association with the CIA, so a provision was included to bar the participation of any current or former CIA official, according to one congressional aide who

helped write the legislation.

This aide told me that one night late in the 1983 session, as the bill was about to go to the House floor, the CIA's congressional liaison came pounding at the door to the office of Rep. Dante Fascell, a senior Democrat on the House Foreign Affairs Committee and a chief sponsor of the bill.

The frantic CIA official conveyed a single message from CIA Director Casey: the language barring the participation of CIA personnel must be struck from the bill, the aide recalled, noting that Fascell consented to the demand, not fully recognizing its significance.

What the documents at the Reagan library now make clear is that lifting the ban enabled Raymond and Casey to stay active shaping the decisions of the new funding mechanism.

The aide said Fascell also consented to the Reagan administration's choice of Carl Gershman to head the National Endowment for Democracy, again not recognizing how this decision would affect the future of the new entity and American foreign policy.

Gershman, who had followed the classic neoconservative path from youthful socialism to fierce anticommunism, became NED's first (and, to this day, only) president. Though NED is technically independent of U.S. foreign policy, Gershman in the early years coordinated decisions on grants with Raymond at the NSC.

For instance, on Jan. 2, 1985, Raymond wrote to two NSC Asian experts that "Carl Gershman has called concerning a possible grant to the Chinese Alliance for Democracy (CAD). I am concerned about the political dimension to this request. We should not find ourselves in a position where we have to respond to pressure, but this request poses a real problem to Carl.

"Senator [Orrin] Hatch, as you know, is a member of the board. Secondly, NED has already given a major grant for a related Chinese program."

Besides clearing aside political obstacles for Gershman, Raymond also urged NED to give money to Freedom House in a June 21, 1985 letter obtained by Professor John Nichols of Pennsylvania State University.

A Tag Team

From the start, NED became a major benefactor for Freedom House, beginning with a \$200,000 grant in 1984 to build "a network of democratic opinion-makers." In NED's first four years, from 1984 and 1988, it lavished \$2.6 million on Freedom

House, accounting for more than one-third of its total income, according to a study by the liberal Council on Hemispheric Affairs that was entitled "Freedom House: Portrait of a Pass-Through."

Over the ensuing three decades, Freedom House has become almost an NED subsidiary, often joining NED in holding policy conferences and issuing position papers, both organizations pushing primarily a neoconservative agenda, challenging countries deemed insufficiently "free," including Syria, Ukraine (in 2014) and Russia.

Indeed, NED and Freedom House often work as a kind of tag-team with NED financing "non-governmental organizations" inside targeted countries and Freedom House berating those governments if they crack down on U.S.-funded NGOs.

For instance, on Nov. 16, 2012, NED and Freedom House joined together to denounce legislation passed by the Russian parliament that required recipients of foreign political money to register with the government.

Or, as NED and Freedom House framed the issue: the Russian Duma sought to "restrict human rights and the activities of civil society organizations and their ability to receive support from abroad. Changes to Russia's NGO legislation will soon require civil society organizations receiving foreign funds to choose between registering as 'foreign agents' or facing significant financial penalties and potential criminal charges."

Of course, the United States has a nearly identical Foreign Agent Registration Act that likewise requires entities that receive foreign funding and seek to influence U.S. government policy to register with the Justice Department or face possible fines or imprisonment.

But the Russian law would impede NED's efforts to destabilize the Russian government through funding of political activists, journalists and civic organizations, so it was denounced as an infringement of human rights and helped justify Freedom House's rating of Russia as "not free."

The Russian government's concerns were not entirely paranoid. On Sept. 26, 2013, Gershman, in effect, charted the course for the crisis in Ukraine and the greater neocon goal of regime change in Russia. In a Washington Post op-ed, Gershman called Ukraine "the biggest prize" and explained how pulling it into the Western camp could contribute to the ultimate defeat of Russian President Vladimir Putin.

"Ukraine's choice to join Europe will accelerate the demise of the ideology of Russian imperialism that Putin represents," Gershman wrote. "Russians, too, face a choice, and Putin may find himself on the losing end not just in the near

abroad but within Russia itself.”

With NED’s budget now exceeding \$100 million a year – and with many NGOs headquartered in Washington – Gershman has attained the status of a major paymaster for the neocon movement with his words carrying extra clout because he can fund or de-fund many a project.

Thus, three decades after CIA Director William Casey and his propaganda specialist Walter Raymond Jr. struggled to arrange funding for Freedom House and other organizations that would promote an interventionist agenda, their brainchild the National Endowment for Democracy was still around picking up those tabs.

[For more details, see Consortiumnews.com’s [“The Victory of Perception Management”](#) and [“Murdoch, Scaife and CIA Propaganda”](#) or Robert Parry’s [Lost History](#).]

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](#)). You also can order Robert Parry’s trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America’s Stolen Narrative*. For details on this offer, [click here](#).

Murdoch, Scaife and CIA Propaganda

Special Report: The rapid expansion of America’s right-wing media began in the 1980s as the Reagan administration coordinated foreign policy initiatives with conservative media executives, including Rupert Murdoch, and then cleared away regulatory hurdles, reports Robert Parry.

By Robert Parry

The Reagan administration pulled right-wing media executives Rupert Murdoch and Richard Mellon Scaife into a [CIA-organized “perception management” operation](#) which aimed Cold War-style propaganda at the American people in the 1980s, according to declassified U.S. government records.

Although some records relating to Murdoch remain classified, several documents that have been released indicate that he and billionaire Scaife were considered sources of financial and other support for President Ronald Reagan’s hard-line

Central American policies, including the CIA's covert war in Nicaragua.

A driving force behind creation of Reagan's extraordinary propaganda bureaucracy was CIA Director William Casey who dispatched one of the CIA's top covert action specialists, Walter Raymond Jr., to the National Security Council to oversee the project. According to the documents, Murdoch was brought into the operation in 1983 when he was still an Australian citizen and his media empire was much smaller than it is today.

Charles Wick, director of the U.S. Information Agency, arranged at least two face-to-face meetings between Murdoch and Reagan, the first on Jan. 18, 1983, when the administration was lining up private financing for its propaganda campaign, according to records at the Reagan presidential library in Simi Valley, California. That meeting also included lawyer and political operative Roy Cohn and his law partner Thomas Bolan.

The Oval Office meeting between Reagan and Murdoch came just five days after NSC Advisor William Clark noted in a Jan. 13, 1983 memo to Reagan the need for non-governmental money to advance the project. "We will develop a scenario for obtaining private funding," Clark wrote, as cited in [an unpublished draft chapter](#) of the congressional Iran-Contra investigation.

Clark then told the President that "Charlie Wick has offered to take the lead. We may have to call on you to meet with a group of potential donors."

The documents suggest that Murdoch was soon viewed as a source for that funding. In an Aug. 9, 1983 memo summing up the results of a Casey-organized meeting with five leading ad executives regarding how to "sell" Reagan's aggressive policies in Central America, Raymond referred to Murdoch as if he already were helping out.

In [a memo](#) to Clark, entitled "Private Sector Support for Central American Program," Raymond criticized a more traditional White House outreach program headed by Faith Whittlesey as "preaching to the converted."

Raymond told Clark that the new project would involve a more comprehensive approach aimed at persuading a majority of Americans to back Reagan's Central American policies, which included support for right-wing regimes in Guatemala and El Salvador as well as the Contra rebels fighting the leftist Sandinista government of Nicaragua.

"We must move out into the middle sector of the American public and draw them into the 'support' column," Raymond wrote. "A second package of proposals deal with means to market the issue, largely considering steps utilizing public relations specialists or similar professionals to help transmit the message."

To improve the project's chances for success, Raymond wrote, "we recommended funding via Freedom House or some other structure that has credibility in the political center. Wick, via Murdoch, may be able to draw down added funds for this effort."

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At least one other document related to Murdoch's work with USIA Director Wick remains classified, according to the National Archives. Murdoch's News Corp. has not responded to requests for comment about the Reagan-era documents.

Helping Murdoch

Murdoch, who became a naturalized citizen of the United States in 1985 to meet a regulatory requirement that U.S. TV stations must be owned by Americans, benefited from his close ties to both U.S. and British officialdom.

On Monday, the UK's Independent reported that Ed Richards, the retiring head of the British media regulatory agency Ofcom, accused British government representatives of showing favoritism to Murdoch's companies.

Richards said he was "surprised" by the informality, closeness and frequency of contact between executives and ministers during the failed bid by Murdoch's News Corp. for the satellite network BSkyB in 2011. The deal was abandoned when it was discovered that journalists at Murdoch's *News of the World* tabloid had hacked the phone of murdered schoolgirl Milly Dowler and others.

“What surprised everyone about it not just me was quite how close it was and the informality of it,” Richards said, confirming what had been widely reported regarding Murdoch’s access to powerful British politicians dating back at least to the reign of Prime Minister Margaret Thatcher in the 1980s. The Reagan documents suggest that Murdoch built similarly close ties to leading U.S. politicians in the same era.

In 1983, Murdoch’s rising media empire was still based in Australia with only a few U.S. properties, such as the Star tabloid and the New York Post. But he was eyeing expansion into the U.S. media market. In 1984, he bought a stake in 20th Century Fox and then six Metromedia television stations, which would form the nucleus of Fox Broadcasting Company, which was founded on Oct. 9, 1986.

At the time, Murdoch and other media moguls were lobbying for a relaxation of regulations from the Federal Communications Commission, a goal that Reagan shared. Under FCC Chairman Mark Fowler, the Reagan administration undertook a number of steps favorable to Murdoch’s interests, including increasing the number of TV stations that any single entity could own from seven in 1981 to 12 in 1985.

In 1987, the “Fairness Doctrine,” which required political balance in broadcasting, was eliminated, which enabled Murdoch to pioneer a more aggressive conservatism on his TV network. In the mid-1990s, Murdoch expanded his political reach by founding the neoconservative Weekly Standard in 1995 and Fox News on cable in 1996. At Fox News, Murdoch has hired scores of prominent politicians, mostly Republicans, putting them on his payroll as commentators.

Last decade, Murdoch continued to expand his reach into U.S. mass media, acquiring DirecTV and the financial news giant Dow Jones, including The Wall Street Journal, America’s leading business news journal.

Scaife’s Role

Richard Mellon Scaife exercised his media influence on behalf of Reagan and the conservative cause in a different way. While the scion of the Mellon banking, oil and aluminum fortune did publish a right-wing newspaper in Pittsburgh, the Tribune Review, Scaife mostly served as a financial benefactor for right-wing journalists and think tanks.

Indeed, Scaife was one of the original financiers of what emerged as a right-wing counter-establishment in media and academia, a longstanding goal of key Republicans, including President Richard Nixon who recognized the importance of propaganda as a political weapon.

According to Nixon’s chief of staff H.R. Haldeman, as reported in *The Haldeman*

Diaries, one of Nixon's pet ideas was to build a network of loyal conservatives in positions of influence. The President was "pushing again on project of building our establishment in press, business, education, etc.," Haldeman wrote in one entry on Sept. 12, 1970.

Financed by rich conservative foundations and wealthy special interests, Nixon's brainchild helped tilt politics in favor of the American Right with Richard Mellon Scaife one of the project's big-money godfathers. By using family foundations, such as Sarah Scaife and Carthage, Scaife joined with other leading right-wing foundations to fund think tanks, such as the Heritage Foundation, which Scaife helped launch in 1973.

In 1978, Nixon's friend and Treasury Secretary William Simon provided more impetus to this growing machine, declaring in his book, *Time for Truth*: "Funds generated by business ... must rush by the multimillion to the aid of liberty ... to funnel desperately needed funds to scholars, social scientists, writers and journalists who understand the relationship between political and economic liberty."

With Reagan's inauguration in 1981 and Casey's selection as CIA director Scaife and other right-wing ideologues were in position to merge their private funding with U.S. Government money in pursuit of the administration's geopolitical goals, including making sure the American people would not break ranks as many did over the Vietnam War.

Building the Operation

On Nov. 4, 1982, Raymond, after his transfer from 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 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."

In subsequent years, Freedom House emerged as a leading critic of Nicaragua's

Sandinista government, which Reagan and Casey were seeking to overthrow by covertly supporting the Contra rebels. Freedom House 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 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 role. "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."

On Jan. 21, 1983, Raymond updated Clark about the project, which also was reaching out to representatives from other conservative foundations, including Les Lenkowsky of Smith-Richardson, Michael Joyce of Olin and Dan McMichael of Mellon-Scaife. "This is designed to develop a broader group of people who will support parallel initiatives consistent with Administration needs and desires," Raymond wrote.

Bashing Teresa Heinz

One example of how Scaife's newspaper directly helped the Reagan administration can be seen in clippings from the Tribune-Review that I found in Raymond's files. On April 21, 1983, the newspaper published a package of stories suggesting illicit left-wing connections among groups opposed to nuclear war.

The articles leave little doubt that Scaife's newspaper is suggesting that these anti-war activists are communists or communist fellow travelers. One headline reads: "Reds Woo Some U.S. Peace Leaders."

Another article cites an accusation from one congressman in the 1950s, after hearings on foundation grants "to numerous Communists and Communist-front organizations," that "Here lies the story of how Communism and Socialism are financed in the U.S. where they get their money." The 1983 article then asks: "Is history repeating itself?"

Ironically, one of the philanthropists who is singled out in these red-baiting articles is Teresa Heinz, then married to Sen. John Heinz, R-Pennsylvania, who died in a 1991 plane crash. In 1995, Teresa Heinz married Sen. John Kerry, D-

Massachusetts, who is currently Secretary of State.

The organizational role of Casey and Raymond in this domestic propaganda campaign raised concerns about the legality of having two senior CIA officials participating in a scheme to manage the perceptions of the American people.

Both in internal documents and a deposition to the congressional Iran-Contra committee, Raymond made clear his discomfort about the possible legal violation from his and Casey's roles. Raymond formally resigned from the CIA in April 1983, so, he said, "there would be no question whatsoever of any contamination of this."

That sensitivity was also reflected in press guidance prepared in case a reporter noted Raymond's CIA background and the problems it presented to the "public diplomacy" effort. If someone challenged press reports that asserted "there is no CIA involvement in the Public Diplomacy Program" and then asked "isn't Walt Raymond, a CIA employee, involved heavily?" the prescribed answer was:

"Walter Raymond is a member of the National Security Council staff. In the past he has worked for Defense, CIA and State. It is true that in the formative stages of the effort, Walt Raymond contributed many useful ideas. It is ironic that he was one of those who was most insistent that there be no CIA involvement in this program in any way.

"Indeed, it is a credit to the Agency that it has stressed throughout that the United States ought to be completely open about the programs it puts in place to assist in the development of democratic institutions and that none of these programs should come under the aegis of the CIA. They do not want to be involved in managing these programs and will not be. We have nothing to hide here."

If a reporter pressed regarding where Raymond last worked, the response was to be: "He retired from CIA. He is a permanent member of the National Security Council." And, if pressed about Raymond's duties, the scripted answer was: "His duties there are classified." (Raymond's last job at the CIA was Director of the Covert Action Staff with a specialty in propaganda and disinformation.)

Beyond how Raymond's "classified duties" contradict the assertion that "we have nothing to hide here," there was a more deceptive element of the press guidance: it didn't mention the key role of CIA Director Casey in both organizing and directing the project and it suggested that Raymond's role had been limited to offering "many useful ideas" when he was the hands-on, day-to-day manager of the operation.

Casey's Hidden Hand

Casey's secret role in the propaganda scheme continued well into 1986, as Raymond continued to send progress reports to his old boss, even as Raymond fretted in one memo about the need "to get [Casey] out of the loop."

The "public diplomacy" operation 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."

Though the Casey-Raymond teamwork ended with the exposure of the Iran-Contra scandal in late 1986 and with Casey's death on May 6, 1987, its legacy continued with Scaife and other rich right-wingers funding ideological media that protected the flanks of President Reagan, his successor President George H.W. Bush and other Republicans of that era.

For instance, Scaife helped fund the work of Steven Emerson, who played a key role in "discrediting" investigations into whether Reagan's 1980 campaign had sabotaged President Jimmy Carter's hostage negotiations with Iran to gain an edge in that pivotal election. [See Consortiumnews.com's "[Unmasking October Surprise Debunker](#)."]]

Scaife also helped finance the so-called "Arkansas Project" that pushed hyped and bogus scandals to damage the presidency of Bill Clinton. [See Consortiumnews.com's "[Starr-gate: Cracks on the Right](#)."]]

Walter Raymond Jr. died on April 16, 2003. Richard Mellon Scaife died on July 4, 2014. But Rupert Murdoch, now 83, remains one of the most powerful media figures on earth, continuing to wield unparalleled influence through his control of Fox News and his vast media empire that stretches around the globe.

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](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#)..

The Victory of 'Perception Management'

Special Report: In the 1980s, the Reagan administration pioneered "perception

management” to get the American people to “kick the Vietnam Syndrome” and accept more U.S. interventionism, but that propaganda structure continues to this day getting the public to buy into endless war, writes Robert Parry.

By Robert Parry

To understand how the American people find themselves trapped in today’s Orwellian dystopia of endless warfare against an ever-shifting collection of “evil” enemies, you have to think back to the Vietnam War and the shock to the ruling elite caused by an unprecedented popular uprising against that war.

While on the surface Official Washington pretended that the mass protests didn’t change policy, a panicky reality existed behind the scenes, a recognition that a major investment in domestic propaganda would be needed to ensure that future imperial adventures would have the public’s eager support or at least its confused acquiescence.

This commitment to what the insiders called “perception management” began in earnest with the Reagan administration in the 1980s but it would come to be the accepted practice of all subsequent administrations, including the present one of President Barack Obama.

In that sense, propaganda in pursuit of foreign policy goals would trump the democratic ideal of an informed electorate. The point would be not to honestly inform the American people about events around the world but to manage their perceptions by ramping up fear in some cases and defusing outrage in others depending on the U.S. government’s needs.

Thus, you have the current hysteria over Russia’s supposed “aggression” in Ukraine when the crisis was actually provoked by the West, including by U.S. neocons who helped create today’s humanitarian crisis in eastern Ukraine that they now cynically blame on Russian President Vladimir Putin.

Yet, many of these same U.S. foreign policy operatives outraged over Russia’s limited intervention to protect ethnic Russians in eastern Ukraine are demanding that President Obama launch an air war against the Syrian military as a “humanitarian” intervention there.

In other words, if the Russians act to shield ethnic Russians on their border who are being bombarded by a coup regime in Kiev that was installed with U.S. support, the Russians are the villains blamed for the thousands of civilian deaths, even though the vast majority of the casualties have been inflicted by the Kiev regime from indiscriminate bombing and from dispatching neo-Nazi militias to do the street fighting.

In Ukraine, the exigent circumstances don't matter, including the violent overthrow of the constitutionally elected president last February. It's all about white hats for the current Kiev regime and black hats for the ethnic Russians and especially for Putin.

But an entirely different set of standards has applied to Syria where a U.S.-backed rebellion, which included violent Sunni jihadists from the start, wore the white hats and the relatively secular Syrian government, which has responded with excessive violence of its own, wears the black hats. But a problem to that neat dichotomy arose when one of the major Sunni rebel forces, the Islamic State, started seizing Iraqi territory and beheading Westerners.

Faced with those grisly scenes, President Obama authorized bombing the Islamic State forces in both Iraq and Syria, but neocons and other U.S. hardliners have been hectoring Obama to go after their preferred target, Syria's President Bashar al-Assad, despite the risk that destroying the Syrian military could open the gates of Damascus to the Islamic State or al-Qaeda's Nusra Front.

Lost on the Dark Side

You might think that the American public would begin to rebel against these messy entangling alliances with the 1984-like demonizing of one new "enemy" after another. Not only have these endless wars drained trillions of dollars from the U.S. taxpayers, they have led to the deaths of thousands of U.S. troops and to the tarnishing of America's image from the attendant evils of war, including a lengthy detour into the "dark side" of torture, assassinations and "collateral" killings of children and other innocents.

But that is where the history of "perception management" comes in, the need to keep the American people compliant and confused. In the 1980s, the Reagan administration was determined to "kick the Vietnam Syndrome," the revulsion that many Americans felt for warfare after all those years in the blood-soaked jungles of Vietnam and all the lies that clumsily justified the war.

So, the challenge for the U.S. government became: how to present the actions of "enemies" always in the darkest light while bathing the behavior of the U.S. "side" in a rosy glow. You also had to stage this propaganda theater in an ostensibly "free country" with a supposedly "independent press."

From documents declassified or leaked over the past several decades, including an unpublished draft chapter of the congressional Iran-Contra investigation, we now know a great deal about how this remarkable project was undertaken and who the key players were.

Perhaps not surprisingly much of the initiative came from the Central

Intelligence Agency, which housed the expertise for manipulating target populations through propaganda and disinformation. The only difference this time would be that the American people would be the target population.

For this project, Ronald Reagan's CIA Director William J. Casey sent his top propaganda specialist Walter Raymond Jr. to the National Security Council staff to manage the inter-agency task forces that would brainstorm and coordinate this "public diplomacy" strategy.

Many of the old intelligence operatives, including Casey and Raymond, are now dead, but other influential Washington figures who were deeply involved by these strategies remain, such as neocon stalwart Robert Kagan, whose first major job in Washington was as chief of Reagan's State Department Office of Public Diplomacy for Latin America.

Now a fellow at the Brookings Institution and a columnist at the Washington Post, Kagan remains an expert in presenting foreign policy initiatives within the "good guy/bad guy" frames that he learned in the 1980s. He is also the husband of Assistant Secretary of State for European Affairs Victoria Nuland, who oversaw the overthrow of Ukraine's elected President Viktor Yanukovich last February amid a very effective U.S. propaganda strategy.

During the Reagan years, Kagan worked closely on propaganda schemes with Elliott Abrams, then the Assistant Secretary of State for Latin America. After getting convicted and then pardoned in the Iran-Contra scandal, Abrams reemerged on President George W. Bush's National Security Council handling Middle East issues, including the Iraq War, and later "global democracy strategy." Abrams is now a senior fellow at the Council on Foreign Relations.

These and other neocons were among the most diligent students learning the art of "perception management" from the likes of Raymond and Casey, but those propaganda skills have spread much more widely as "public diplomacy" and "information warfare" have now become an integral part of every U.S. foreign policy initiative.

A Propaganda Bureaucracy

Declassified documents now reveal how extensive Reagan's propaganda project became with inter-agency task forces assigned to develop "themes" that would push American "hot buttons." Scores of documents came out during the Iran-Contra scandal in 1987 and hundreds more are now available at the Reagan presidential library in Simi Valley, California.

What the documents reveal is that at the start of the Reagan administration, CIA Director Casey faced a daunting challenge in trying to rally public opinion

behind aggressive U.S. interventions, especially in Central America. Bitter memories of the Vietnam War were still fresh and many Americans were horrified at the brutality of right-wing regimes in Guatemala and El Salvador, where Salvadoran soldiers raped and murdered four American churchwomen in December 1980.

The new leftist Sandinista government in Nicaragua also was not viewed with much alarm. After all, Nicaragua was an impoverished country of only about three million people who had just cast off the brutal dictatorship of Anastasio Somoza.

So, Reagan's initial strategy of bolstering the Salvadoran and Guatemalan armies required defusing the negative publicity about them and somehow rallying the American people into supporting a covert CIA intervention inside Nicaragua via a counterrevolutionary force known as the Contras led by Somoza's ex-National Guard officers.

Reagan's task was made tougher by the fact that the Cold War's anti-communist arguments had so recently been discredited in Vietnam. As deputy assistant secretary to the Air Force, J. Michael Kelly, put it, "the most critical special operations mission we have ... is to persuade the American people that the communists are out to get us."

At the same time, the White House worked to weed out American reporters who uncovered facts that undercut the desired public images. As part of that effort, the administration attacked 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 these were largely ad hoc efforts. A more comprehensive "public diplomacy" operation took shape beginning in 1982 when Raymond, a 30-year veteran of CIA clandestine services, was transferred to the NSC.

A slight, soft-spoken New Yorker who reminded some of a character from a John le Carré spy novel, Raymond was an intelligence officer who "easily fades into the woodwork," according to one acquaintance. But Raymond would become the sparkplug for this high-powered propaganda network, according to a draft chapter of the Iran-Contra report.

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.

"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."

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 things were about to change. In a Jan. 13, 1983, memo, NSC Advisor Clark foresaw the need for non-governmental money to advance this cause. "We will develop a scenario for obtaining private funding," Clark wrote. (Just five days later, President Reagan personally welcomed media magnate Rupert Murdoch into the Oval Office for a private meeting, according to records on file at the Reagan library.)

As administration officials reached out to wealthy supporters, lines against domestic propaganda soon were crossed as the operation took aim not only at foreign audiences but at U.S. public opinion, the press and congressional Democrats who opposed funding the Nicaraguan Contras.

At the time, the Contras were earning a gruesome reputation as human rights violators and terrorists. To change this negative perception of the Contras as well as of the U.S.-backed regimes in El Salvador and Guatemala, the Reagan administration created a full-blown, clandestine propaganda network.

In January 1983, President Reagan took the first formal step to create this

unprecedented peacetime propaganda bureaucracy by signing National Security Decision Directive 77, entitled "Management of Public Diplomacy Relative to National Security." 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 the CIA's Walter Raymond Jr. and one of its principal arms would be a new Office of Public Diplomacy for Latin America, housed at the State Department but under the control of the NSC.

CIA Taint

Worried about the legal prohibition barring the CIA from engaging in domestic propaganda, 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 involvement. 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."

As a result of Reagan's decision directive, "an elaborate system of inter-agency committees was eventually formed and charged with the task of working closely with private groups and individuals involved in fundraising, lobbying campaigns and propagandistic activities aimed at influencing public opinion and governmental action," the draft Iran-Contra chapter said. "This effort resulted in the creation of the Office of Public Diplomacy for Latin America and the Caribbean in the Department of State (S/LPD), headed by Otto Reich," a right-wing Cuban exile from Miami.

Though Secretary of State George Shultz wanted the office under his control, President Reagan insisted that Reich "report directly to the NSC," where Raymond oversaw the operations as a special assistant to the President and the NSC's director of international communications, the chapter said.

"Reich relied heavily on Raymond to secure personnel transfers from other

government agencies to beef up the limited resources made available to S/LPD by the Department of State," the chapter said. "Personnel made available to the new office included intelligence specialists from the U.S. Air Force and the U.S. Army. On one occasion, five intelligence experts from the Army's 4th Psychological Operations Group at Fort Bragg, North Carolina, were assigned to work with Reich's fast-growing operation."

A "public diplomacy strategy paper," dated May 5, 1983, summed up the administration's problem. "As far as our Central American policy is concerned, the press perceives that: the USG [U.S. government] is placing too much emphasis on a military solution, as well as being allied with inept, right-wing governments and groups. ...The focus on Nicaragua [is] on the alleged U.S.-backed 'covert' war against the Sandinistas. Moreover, the opposition ... is widely perceived as being led by former Somozistas."

The administration's difficulty with most of these press perceptions was that they were correct. But the strategy paper recommended ways to influence various groups of Americans to "correct" the impressions anyway, removing what another planning document called "perceptual obstacles."

"Themes will obviously have to be tailored to the target audience," the strategy paper said.

Casey's Hand

As the Reagan administration struggled to manage public perceptions, CIA Director Casey kept his personal hand in the effort. On one muggy day in August 1983, Casey convened a meeting of Reagan administration officials and five leading ad executives at the Old Executive Office Building next to the White House to come up with ideas for selling Reagan's Central American policies to the American people.

Earlier that day, a national security aide had warned the P.R. men to their task with dire predictions that leftist governments would send waves of refugees into the United States and cynically flood America with drugs. The P.R. executives jotted down some thoughts over lunch and then pitched their ideas to the CIA director in the afternoon as he sat hunched behind a desk taking notes.

"Casey was kind of spearheading a recommendation" for better public relations for Reagan's Central America policies, recalled William I. Greener Jr., one of the ad men. Two top proposals arising from the meeting were for a high-powered communications operation inside the White House and private money for an outreach program to build support for U.S. intervention.

The results from the discussions were summed up in an Aug. 9, 1983, memo written

by Raymond who described Casey's participation in the meeting to brainstorm how "to sell a 'new product' Central America by generating interest across-the-spectrum."

In the memo to then-U.S. Information Agency director Charles Wick, Raymond also noted that "via Murdock [sic] may be able to draw down added funds" to support pro-Reagan initiatives. Raymond's reference to Rupert Murdoch possibly drawing down "added funds" suggests that the right-wing media mogul had been recruited to be part of the covert propaganda operation. During this period, Wick arranged at least two face-to-face meetings between Murdoch and Reagan.

In line with the clandestine nature of the operation, Raymond also suggested routing the "funding via Freedom House or some other structure that has credibility in the political center." (Freedom House would later emerge as a principal beneficiary of funding from the National Endowment for Democracy, which was also created under the umbrella of Raymond's operation.)

As the Reagan administration pushed the envelope on domestic propaganda, Raymond continued to worry about Casey's involvement. In an Aug. 29, 1983, memo, Raymond recounted a call from Casey pushing his P.R. ideas. Alarmed at a CIA director participating so brazenly in domestic propaganda, Raymond wrote that "I philosophized a bit with Bill Casey (in an effort to get him out of the loop)" but with little success.

Meanwhile, Reich's Office of Public Diplomacy for Latin America (S/LPD) proved extremely effective in selecting "hot buttons" that would anger Americans about the Sandinistas. He also browbeat news correspondents who produced stories that conflicted with the administration's "themes." Reich's basic M.O. was to dispatch his propaganda teams to lobby news executives to remove or punish out-of-step reporters with a disturbing degree of success. Reich once bragged that his office "did not give the critics of the policy any quarter in the debate."

Another part of the office's job was to plant "white propaganda" in the news media through op-eds secretly financed by the government. In one memo, Jonathan Miller, a senior public diplomacy official, informed White House aide Patrick Buchanan about success placing an anti-Sandinista piece in The Wall Street Journal's friendly pages. "Officially, this office had no role in its preparation," Miller wrote.

Other times, the administration put out "black propaganda," outright falsehoods. In 1983, one such theme was designed to anger American Jews by portraying the Sandinistas as anti-Semitic because much of Nicaragua's small Jewish community fled after the revolution in 1979.

However, the U.S. embassy in Managua investigated the charges and “found no verifiable ground on which to accuse the GRN [the Sandinista government] of anti-Semitism,” according to a July 28, 1983, cable. But the administration kept the cable secret and pushed the “hot button” anyway.

Black Hats/White Hats

Repeatedly, Raymond lectured his subordinates on the chief goal of the operation: “in the specific case of Nica[ragua], concentrate on gluing black hats on the Sandinistas and white hats on UNO [the Contras’ United Nicaraguan Opposition].” So Reagan’s speechwriters dutifully penned descriptions of Sandinista-ruled Nicaragua as a “totalitarian dungeon” and the Contras as the “moral equivalent of the Founding Fathers.”

As one NSC official told me, the campaign was modeled after CIA covert operations abroad where a political goal is more important than the truth. “They were trying to manipulate [U.S.] public opinion ... using the tools of Walt Raymond’s trade craft which he learned from his career in the CIA covert operation shop,” the official admitted.

Another administration official gave a similar description to The Miami Herald’s Alfonso Chardy. “If you look at it as a whole, the Office of Public Diplomacy was carrying out a huge psychological operation, the kind the military conduct to influence the population in denied or enemy territory,” that official explained. [For more details, see Parry’s *Lost History*.]

Another important figure in the pro-Contra propaganda was NSC staffer Oliver North, who spent a great deal of his time on the Nicaraguan public diplomacy operation even though he is better known for arranging secret arms shipments to the Contras and to Iran’s radical Islamic government, leading to the Iran-Contra scandal.

The draft Iran-Contra chapter depicted a Byzantine network of contract and private operatives who handled details of the domestic propaganda while concealing the hand of the White House and the CIA. “Richard R. Miller, former head of public affairs at AID, and Francis D. Gomez, former public affairs specialist at the State Department and USIA, were hired by S/LPD through sole-source, no-bid contracts to carry out a variety of activities on behalf of the Reagan administration policies in Central America,” the chapter said.

“Supported by the State Department and White House, Miller and Gomez became the outside managers of [North operative] Spitz Channel’s fundraising and lobbying activities. They also served as the managers of Central American political figures, defectors, Nicaraguan opposition leaders and Sandinista atrocity

victims who were made available to the press, the Congress and private groups, to tell the story of the Contra cause.”

Miller and Gomez facilitated transfers of money to Swiss and offshore banks at North’s direction, as they “became the key link between the State Department and the Reagan White House with the private groups and individuals engaged in a myriad of endeavors aimed at influencing the Congress, the media and public opinion,” the chapter said.

The Iran-Contra draft chapter also cited a March 10, 1985, memo from North describing his assistance to CIA Director Casey in timing disclosures of pro-Contra news “aimed at securing Congressional approval for renewed support to the Nicaraguan Resistance Forces.”

The chapter added: “Casey’s involvement in the public diplomacy effort apparently continued throughout the period under investigation by the Committees,” including a 1985 role in pressuring Congress to renew Contra aid and a 1986 hand in further shielding the Office of Public Diplomacy for Latin America from the oversight of Secretary Shultz.

A Raymond-authored memo to Casey in August 1986 described the shift of the S/LPD office where Robert Kagan had replaced Reich to the control of the Bureau of Inter-American Affairs, which was headed by Assistant Secretary of State Elliott Abrams, who had tapped Kagan for the public diplomacy job.

Even after the Iran-Contra scandal unraveled in 1986-87 and Casey died of brain cancer on May 6, 1987, the Republicans fought to keep secret the remarkable story of the public diplomacy apparatus. As part of a deal to get three moderate Republican senators to join Democrats in signing the Iran-Contra majority report, Democratic leaders agreed to drop the draft chapter detailing the CIA’s domestic propaganda role (although a few references were included in the executive summary). But other Republicans, including Rep. Dick Cheney, still issued a minority report defending broad presidential powers in foreign affairs.

Thus, the American people were spared the chapter’s troubling conclusion: that a secret propaganda apparatus had existed, run by “one of the CIA’s most senior specialists, sent to the NSC by Bill Casey, to create and coordinate an inter-agency public-diplomacy mechanism [which] did what a covert CIA operation in a foreign country might do. [It] attempted to manipulate the media, the Congress and public opinion to support the Reagan administration’s policies.”

Kicking the Vietnam Syndrome

The ultimate success of Reagan’s propaganda strategy was affirmed during the tenure of his successor, George H.W. Bush, when Bush ordered a 100-hour ground

war on Feb. 23, 1991, to oust Iraqi troops from Kuwait, which had been invaded the previous August.

Though Iraqi dictator Saddam Hussein had long been signaling a readiness to withdraw and Soviet President Mikhail Gorbachev had negotiated a withdrawal arrangement that even had the blessings of top U.S. commanders in the field President Bush insisted on pressing ahead with the ground attack.

Bush's chief reason was that he and his Defense Secretary Dick Cheney saw the assault against Iraq's already decimated forces as an easy victory, one that would demonstrate America's new military capacity for high-tech warfare and would cap the process begun a decade earlier to erase the Vietnam Syndrome from the minds of average Americans.

Those strategic aspects of Bush's grand plan for a "new world order" began to emerge after the U.S.-led coalition started pummeling Iraq with air strikes in mid-January 1991. The bombings inflicted severe damage on Iraq's military and civilian infrastructure and slaughtered a large number of non-combatants, including the incineration of some 400 women and children in a Baghdad bomb shelter on Feb. 13. [For details, see Consortiumnews.com's "[Recalling the Slaughter of Innocents.](#)"]

The air war's damage was so severe that some world leaders looked for a way to end the carnage and arrange Iraq's departure from Kuwait. Even senior U.S. military field commanders, such as Gen. Norman Schwarzkopf, looked favorably on proposals for sparing lives.

But Bush was fixated on a ground war. Though secret from the American people at that time, Bush had long determined that a peaceful Iraqi withdrawal from Kuwait would not be allowed. Indeed, Bush was privately fearful that the Iraqis might capitulate before the United States could attack.

At the time, conservative columnists Rowland Evans and Robert Novak were among the few outsiders who described Bush's obsession with exorcising the Vietnam Syndrome. On Feb. 25, 1991, they wrote that the Gorbachev initiative brokering Iraq's surrender of Kuwait "stirred fears" among Bush's advisers that the Vietnam Syndrome might survive the Gulf War.

"There was considerable relief, therefore, when the President ... made clear he was having nothing to do with the deal that would enable Saddam Hussein to bring his troops out of Kuwait with flags flying," Evans and Novak wrote. "Fear of a peace deal at the Bush White House had less to do with oil, Israel or Iraqi expansionism than with the bitter legacy of a lost war. 'This is the chance to get rid of the Vietnam Syndrome,' one senior aide told us."

In the 1999 book, *Shadow*, author Bob Woodward confirmed that Bush was adamant about fighting a war, even as the White House pretended it would be satisfied with an unconditional Iraqi withdrawal. "We have to have a war," Bush told his inner circle of Secretary of State James Baker, national security adviser Brent Scowcroft and Gen. Colin Powell, according to Woodward.

"Scowcroft was aware that this understanding could never be stated publicly or be permitted to leak out. An American president who declared the necessity of war would probably be thrown out of office. Americans were peacemakers, not warmongers," Woodward wrote.

The Ground War

However, the "fear of a peace deal" resurfaced in the wake of the U.S.-led bombing campaign. Soviet diplomats met with Iraqi leaders who let it be known that they were prepared to withdraw their troops from Kuwait unconditionally.

Learning of Gorbachev's proposed settlement, Schwarzkopf also saw little reason for U.S. soldiers to die if the Iraqis were prepared to withdraw and leave their heavy weapons behind. There was also the prospect of chemical warfare that the Iraqis might use against advancing American troops. Schwarzkopf saw the possibility of heavy U.S. casualties.

But Gorbachev's plan was running into trouble with President Bush and his political subordinates who wanted a ground war to crown the U.S. victory. Schwarzkopf reached out to Gen. Powell, chairman of the Joint Chiefs of Staff, to make the case for peace with the President.

On Feb. 21, 1991, the two generals hammered out a cease-fire proposal for presentation to the NSC. The peace deal would give Iraqi forces one week to march out of Kuwait while leaving their armor and heavy equipment behind. Schwarzkopf thought he had Powell's commitment to pitch the plan at the White House.

But Powell found himself caught in the middle. He wanted to please Bush while still representing the concerns of the field commanders. When Powell arrived at the White House late on the evening of Feb. 21, he found Bush angry about the Soviet peace initiative. Still, according to Woodward's *Shadow*, Powell reiterated that he and Schwarzkopf "would rather see the Iraqis walk out than be driven out."

In *My American Journey*, Powell expressed sympathy for Bush's predicament. "The President's problem was how to say no to Gorbachev without appearing to throw away a chance for peace," Powell wrote. "I could hear the President's growing distress in his voice. 'I don't want to take this deal,' he said. 'But I don't

want to stiff Gorbachev, not after he's come this far with us. We've got to find a way out'."

Powell sought Bush's attention. "I raised a finger," Powell wrote. "The President turned to me. 'Got something, Colin?'," Bush asked. But Powell did not outline Schwarzkopf's one-week cease-fire plan. Instead, Powell offered a different idea intended to make the ground offensive inevitable.

"We don't stiff Gorbachev," Powell explained. "Let's put a deadline on Gorby's proposal. We say, great idea, as long as they're completely on their way out by, say, noon Saturday," Feb. 23, less than two days away.

Powell understood that the two-day deadline would not give the Iraqis enough time to act, especially with their command-and-control systems severely damaged by the air war. The plan was a public-relations strategy to guarantee that the White House got its ground war. "If, as I suspect, they don't move, then the flogging begins," Powell told a gratified president.

The next day, at 10:30 a.m., a Friday, Bush announced his ultimatum. There would be a Saturday noon deadline for the Iraqi withdrawal, as Powell had recommended. Schwarzkopf and his field commanders in Saudi Arabia watched Bush on television and immediately grasped its meaning.

"We all knew by then which it would be," Schwarzkopf wrote. "We were marching toward a Sunday morning attack."

When the Iraqis predictably missed the deadline, American and allied forces launched the ground offensive at 0400 on Feb. 24, Persian Gulf time.

Though Iraqi forces were soon in full retreat, the allies pursued and slaughtered tens of thousands of Iraqi soldiers in the 100-hour war. U.S. casualties were light, 147 killed in combat and another 236 killed in accidents or from other causes. "Small losses as military statistics go," wrote Powell, "but a tragedy for each family."

On Feb. 28, the day the war ended, Bush celebrated the victory. "By God, we've kicked the Vietnam Syndrome once and for all," the President exulted, speaking to a group at the White House. [For more details, see Robert Parry's *Secrecy & Privilege*.]

So as not to put a damper on the post-war happy feelings, the U.S. news media decided not to show many of the grisliest photos, such as charred Iraqi soldiers ghoulishly still seated in their burned-out trucks where they had been incinerated while trying to flee. By that point, U.S. journalists knew it wasn't smart for their careers to present a reality that didn't make the war look good.

Enduring Legacy

Though Reagan's creation of a domestic propaganda bureaucracy began more than three decades ago and Bush's vanquishing of the Vietnam Syndrome was more than two decades ago the legacy of those actions continue to reverberate today in how the perceptions of the American people are now routinely managed. That was true during last decade's Iraq War and this decade's conflicts in Libya, Syria and Ukraine as well as the economic sanctions against Iran and Russia.

Indeed, while the older generation that pioneered these domestic propaganda techniques has passed from the scene, many of their protégés are still around along with some of the same organizations. The National Endowment for Democracy, which was formed in 1983 at the urging of CIA Director Casey and under the supervision of Walter Raymond's NSC operation, is still run by the same neocon, Carl Gershman, and has an even bigger budget, now exceeding \$100 million a year.

Gershman and his NED played important behind-the-scenes roles in instigating the Ukraine crisis by financing activists, journalists and other operatives who supported the coup against elected President Yanukovich. The NED-backed Freedom House also beat the propaganda drums. [See Consortiumnews.com's "A Shadow Foreign Policy."]

Two other Reagan-era veterans, Elliott Abrams and Robert Kagan, have both provided important intellectual support for continuing U.S. interventionism around the world. Earlier this year, Kagan's article for The New Republic, entitled "Superpowers Don't Get to Retire," touched such a raw nerve with President Obama that he hosted Kagan at a White House lunch and crafted the presidential commencement speech at West Point to deflect some of Kagan's criticism of Obama's hesitancy to use military force.

A New York Times article about Kagan's influence over Obama reported that Kagan's wife, Assistant Secretary of State Victoria Nuland, apparently had a hand in crafting the attack on her ostensible boss, President Obama.

According to the Times article, the husband-and-wife team share both a common world view and professional ambitions, Nuland editing Kagan's articles and Kagan "not permitted to use any official information he overhears or picks up around the house" a suggestion that Kagan's thinking at least may be informed by foreign policy secrets passed on by his wife.

Though Nuland wouldn't comment specifically on Kagan's attack on President Obama, she indicated that she holds similar views. "But suffice to say," Nuland said, "that nothing goes out of the house that I don't think is worthy of his talents. Let's put it that way."

Misguided Media

In the three decades since Reagan's propaganda machine was launched, the American press corps also has fallen more and more into line with an aggressive U.S. government's foreign policy strategies. Those of us in the mainstream media who resisted the propaganda pressures mostly saw our careers suffer while those who played along moved steadily up the ranks into positions of more money and more status.

Even after the Iraq War debacle when nearly the entire mainstream media went with the pro-invasion flow, there was almost no accountability for that historic journalistic failure. Indeed, the neocon influence at major newspapers, such as the Washington Post and the New York Times, only has solidified since.

Today's coverage of the Syrian civil war or the Ukraine crisis is so firmly in line with the State Department's propaganda "themes" that it would put smiles on the faces of William Casey and Walter Raymond if they were around today to see how seamlessly the "perception management" now works. There's no need any more to send out "public diplomacy" teams to bully editors and news executives. Everyone is already onboard.

Rupert Murdoch's media empire is bigger than ever, but his neocon messaging barely stands out as distinctive, given how the neocons also have gained control of the editorial and foreign-reporting sections of the Washington Post, the New York Times and virtually every other major news outlet. For instance, the demonizing of Russian President Putin is now so total that no honest person could look at those articles and see anything approaching objective or evenhanded journalism. Yet, no one loses a job over this lack of professionalism.

The Reagan administration's dreams of harnessing private foundations and non-governmental organizations have also come true. The Orwellian circle has been completed with many American "anti-war" groups advocating for "humanitarian" wars in Syria and other countries targeted by U.S. propaganda. [See Consortiumnews.com's ["Selling 'Peace Groups' on US-Led Wars."](#)]

Much as Reagan's "public diplomacy" apparatus once sent around "defectors" to lambaste Nicaragua's Sandinistas by citing hyped-up human rights violations now the work is done by NGOs with barely perceptible threads back to the U.S. government. Just as Freedom House had "credibility" in the 1980s because of its earlier reputation as a human rights group, now other groups carrying the "human rights" tag, such as Human Rights Watch, are in the forefront of urging U.S. military interventions based on murky or propagandistic claims. [See Consortiumnews.com's ["The Collapsing Syria-Sarin Case."](#)]

At this advanced stage of America's quiet surrender to "perception management," it is even hard to envision how one could retrace the many steps that would lead back to the concept of a democratic Republic based on an informed electorate. Many on the American Right remain entranced by the old propaganda theme about the "liberal media" and still embrace Reagan as their beloved icon. Meanwhile, many liberals can't break away from their own wistful trust in the New York Times and their empty hope that the media really is "liberal."

To confront the hard truth is not easy. Indeed, in this case, it can cause despair because there are so few voices to trust and they are easily drowned out by floods of disinformation that can come from any angle right, left or center. Yet, for the American democratic Republic to reset its goal toward an informed electorate, there is no option other than to build institutions that are determinedly committed to the truth.

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](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#).

How Reagan Enforced US Hypocrisy

From the Archive: To understand why many right-wingers are so defensive about offensive U.S. acts, even waterboarding and anal rape, you must look back to the Reagan years when "moral equivalence" became an accusation against applying universal standards to the U.S., as Robert Parry wrote last March about Ukraine.

By Robert Parry

Official Washington's hearty disdain for anyone who cites U.S. hypocrisy toward the Ukraine crisis can be traced back to a propaganda strategy hatched by the Reagan administration in 1984, dismissing any comparisons between U.S. and Soviet behavior as unacceptable expressions of "moral equivalence."

This "moral equivalence" concern stemmed, in part, from the prior decade's disclosures of U.S. government misconduct, the Vietnam War, CIA-sponsored coups and other intelligence abuses at home and abroad. In that climate of heightened skepticism, U.S. journalists felt it was their job to show some skepticism and

hold U.S. officials accountable for their behavior.

For President Ronald Reagan, that meant journalists taking note of his administration's support for terrorism by the Contra rebels in Nicaragua and for death-squad-tainted governments slaughtering civilians in countries such as Guatemala and El Salvador.

So, to counter this P.R. problem, Reagan administration officials developed a propaganda "theme" that, in effect, asserted that the U.S. government should not be held to the same human rights standards as the Soviet government because the United States was morally superior to the Soviet Union.

According to documents released earlier this year by the Reagan Presidential Library in Simi Valley, California, the Reagan administration established a "Moral Equivalence Working Group" in 1984 reporting to Walter Raymond Jr., who had been a top psychological warfare specialist at the CIA before being moved to Reagan's National Security Council where he oversaw a wide-ranging program of domestic and foreign propaganda.

Though the working group's core complaint was something of a straw man, since it would be hard to find anyone who equated the U.S. and USSR, the Reagan administration made clear that anyone who continued to apply common moral standards to the two governments would be accused of "moral equivalence."

This framing proved effective in tarring U.S. journalists and human rights activists as, in essence, Soviet apologists. The "theme" was most famously expressed by U.S. Ambassador to the United Nations Jeane Kirkpatrick at the Republican National Convention in 1984 when she decried anyone who would "blame America first."

Link to the Present

As an Associated Press reporter in the 1980s, I encountered this "moral equivalence" attack line when I questioned State Department officials about their hypocrisy in applying strict human rights standards to Nicaragua's Sandinista government while excusing far more serious abuses by the Contras and other U.S. allies in Central America.

Neocan intellectual Robert Kagan, who then was a senior official in the State Department's Office of Public Diplomacy for Latin America, warned me that I was edging dangerously close to the line on "moral equivalence."

Ironically, Kagan's wife, Assistant Secretary of State for European Affairs Victoria Nuland, is now at the forefront of U.S. support for the Ukrainian coup, which relied on neo-Nazi militias to overthrow a democratically elected

president, though the official U.S. narrative is that this was a “democratic” uprising. [See Consortiumnews.com’s [“Neocons and the Ukraine Coup.”](#)]

Over the past three decades, the argument against “moral equivalence” has changed little, though it has morphed into what is now more commonly described as American “exceptionalism,” the new trump card against anyone who suggests that the U.S. government should abide by international law and be held to common human rights standards.

Today, if you make the case that universal rules should apply to the United States, you are accused of not embracing America as an “exceptional” country. As a result, very few mainstream observers in Official Washington even blink now at the U.S. government taking contradictory positions on issues such as intervening in other countries.

Invasions of Iraq and Afghanistan are “justified” as are drone strikes and aerial bombardments of countries from Pakistan to Yemen to Somalia to Libya. It’s also okay to threaten to bomb Syria and Iran.

Supporting the overthrow of sovereign governments is also fine for the United States but not for anyone else. Just during the Obama administration, the U.S. government has backed coups in Honduras, Libya and now Ukraine. U.S.-endorsed secessions are okay, too, as with oil-rich South Sudan from Sudan.

Yet, when the geopolitical shoe is on the other foot when Russia objects to the violent overthrow of Ukraine’s duly-elected President Viktor Yanukovich and, as a result, supports a secession referendum by Crimea on whether its citizens want to join the Russian Federation Official Washington cries out in moral outrage.

Suddenly, we see mainstream American journalists searching for some clause in Ukraine’s constitution that prohibits secession, though these journalists had no problem with the violation of the same constitution’s procedures for impeaching a president, rules ignored by the coup regime with barely a peep from U.S. news outlets.

Framing the Debate

This ever-shifting moral playing field was defined by the Reagan administration’s propagandists in the mid-1980s, coincidentally in the iconic year 1984, according to documents at the Reagan Library. I found in Raymond’s files a “concept paper” for a conference to address “moral equivalence,” attached to a memo dated Sept. 4, 1984. The paper read:

“The Moral Equivalence Working Group has for some time been examining ways to counter the common (and for US, very damaging) concept of the ‘moral equivalence

of the superpowers,' i.e., the notion that there is no moral distinction to be made between the US and the USSR, particularly in the areas of foreign and military policy. Moral equivalence is a particularly insidious problem because it permeates almost every level of public discourse both at home and abroad."

The "concept paper" offers no specific examples of anyone actually engaging in this "moral equivalence" that is, saying the United States and the Soviet Union were morally equal but it insists that the problem is widespread among elites and could be detected when people, for instance, compared the U.S. invasion of Grenada to the Soviet invasion of Afghanistan. The paper reads:

"This is not to suggest that moral equivalence is in fact a majority perception. There is reason to believe that it is primarily an elite problem and that the broad mass of people has a sounder instinct on the inherent moral differences between the US and Soviet systems. However, given the dominance of morally equivalent thinking among elites, particularly in the media and in academia, public resistance to moral equivalence is provided with little informational or intellectual support."

The paper then proposes a high-level conference sponsored by the neoconservative Center for Strategic and International Studies with the goal of analyzing "the Moral Equivalence misconception" and devising ways "to combat the problem" including addressing "intellectual fashion and ways to have an impact on it."

Over the intervening three decades, these U.S. government's propaganda efforts against holding the United States to the same moral standards as other countries have proved remarkably successful, at least within U.S. opinion circles.

It is now common for mainstream journalists to accept the principle of "American exceptionalism" in both implications of the word: that the United States is a wonderfully exceptional nation and that it is exempted from international law.

Indeed, it is rare for anyone in mainstream journalism to assert that the United States should conform to international law, i.e. respecting the sovereign borders of other countries. Yet, the same opinion leaders express outrage when Russia intervenes in Ukraine in the wake of a neo-Nazi-spearheaded coup on Russia's border.

No longer do mainstream U.S. journalists and academics try to apply the same rules to Washington and Moscow. The "problem" that Reagan's team detected in the 1980s has been solved. Today, American hypocrisy is the accepted "group think."

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