

Bush's takeover of the drug war and covert operations

On June 7, 1986, Vice President George Bush announced that the Reagan administration had officially determined, for the first time, "that the international drug trade is a national security concern" linked to terrorism.

Bush, in fact, represented himself as the nation's top warrior against drugs. On Jan. 28, 1982, President Reagan had created the South Florida Task Force, under Bush's command, to coordinate efforts to stem the tide of narcotics. On March 23, 1983, Bush was placed in charge of the National

Narcotics Border Interdiction System (NNBIS). Then, in August 1986, Bush was appointed the chief of "Operation Alliance," a cooperative arrangement with Mexico to stop the flow of drugs across the Mexico-U.S. border.

It was the classic case of the rogue cop, but much worse. There was a perverse irony in Bush's words, "that the international drug trade is a national security concern," because under George Bush, the national security apparatus of the United States not only protected, but actually *conducted*, much of the drug trade. We show here precisely how Bush systematically gathered the nation's national security apparatus under his personal control in the first few years of the Reagan-Bush administration.

'Crisis management'

To understand how Bush's "secret government" worked, we must look at the "crisis management" apparatus in the White House and the misnamed National Security Council staff — which is not a "staff" for the National Security Council

Bush seizes control of U.S. intelligence

Jan. 21, 1981: George Bush is sworn in as Vice President.

March 22, 1981: The *Washington Post* publishes a story, headlined "Bush to Head Crisis Management."

Dec. 4, 1981: President Reagan signs Executive Order 12333, which 1) puts all "foreign intelligence" operations under the National Security Council, 2) allows agencies other than the CIA to conduct "special activities" (covert operations), and 3) allows use of private "assets" for intelligence operations.

Dec. 14, 1981: National Security Decision Directive Number 3 (NSDD-3) on "Crisis Management" is signed; it makes the Vice President chairman of the Special Situation Group, responsible for crisis management.

Jan. 12, 1982: NSDD-2 formalizes National Security Council structure, with Senior Interagency Groups (SIGs) for foreign policy, defense policy, and intelligence.

Jan. 28, 1982: Bush is put in charge of South Florida Task Force on drugs.

May 14, 1982: "Crisis Pre-Planning" memorandum is issued; it establishes a standing Crisis Pre-Planning Group (CPPG) under the SSG. The SSG-CPPG, under Bush, is given control of *any* area in which a *potential* crisis could emerge, and it develops *preemptive policy options* for dealing with it.

April 10, 1982: NSDD-30, "Managing Terrorist Incidents," gives Bush control over the convening of the SSG, and creates the Terrorist Incident Working Group (TIWG) to support the SSG.

July 1982: NSDD-47 sets up a secret interagency "continuity of government" committee, made up of about 100 top government officials. Around this time, a new secret agency is created, called the Defense Mobilization Planning Systems Agency, whose officials are instructed to report to Vice President Bush.

January 1983: NSDD-55 expands the "continuity of government" program, supervised by Bush.

March 23, 1983: Bush is put in charge of the National Narcotics Border Interdiction System (NNBIS).

May 25, 1983: Secretary of State George Shultz objects to the role of the CPPG, chaired by Bush, and proposes a structure for Central America, in which authority would run from the President to the National Security Council to the Secretary of State, and then to the interagency groups. Shultz is overruled.

April 3, 1984: NSDD-138 elaborates TIWG as supporting Bush's Special Situation Group.

July 1985: Vice President's Terrorism Task Force created, headed by Bush.

February 1986: Vice President's Terrorism Task Force report issued, which creates the Operations Sub-Group (OSG), officially a sub-group of Bush's TIWG, and also a permanent counter-terrorism office located in the National Security Council staff, headed by Oliver North.

August 1986: Bush is appointed the chief of "Operation Alliance," an anti-drug effort conducted with Mexico.

TABLE OF CONTENTS

IFR
Page
(59941)

Preamble

Part 1. Goals, Direction, Duties, and Responsibilities With Respect to the National Intelligence Effort

- 1.1 Goals
- 1.2 The National Security Council
- 1.3 National Security Council
- 1.4 The Director
- 1.5 Duties
- 1.6 A
- 1.7 Sentences
- 1.8 The
- 1.9 The
- 1.10 The
- 1.11 The
- 1.12 Inte
- 1.13 The
- 1.14 The
- 2.1 Need
- 2.2 Purp
- 2.3 Collection of
- 2.4 Collection Techniques
- 2.5 Attorney General Approval
- 2.6 Assistance
- 2.7 Contracting
- 2.8 Consistency
- 2.9 Undisclosed
- 2.10 Human Exp
- 2.11 Prohibition
- 2.12 Indirect Pa
- 3.1 Congressio
- 3.2 Implement
- 3.3 Procedures
- 3.4 Definitions
- 3.5 Purpose an
- 3.6 Revocation

and cooperation to law enforcement activities not precluded by applicable law.

2.7 Contracting. Agencies within the Intelligence Community are authorized to enter into contracts or arrangements for the provision of goods or services with private companies or institutions in the United States and need not reveal the sponsorship of such contracts or arrangements for authorized intelligence purposes. Contracts or arrangements with academic institutions may be undertaken only with the consent of appropriate officials of the institution.

2.8 Consistency With Other Laws. Nothing in this Order shall be construed to prohibit any activity in the Department of the full in order to derive maximum benefit from the United States intelligence effort.

1.2 The National Security Council.

(a) *Purpose.* The National Security Council (NSC) was established by the National Security Act of 1947 to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security. The NSC shall act as the highest Executive Branch entity that provides review of, guidance for and direction to the conduct of all national foreign intelligence, counterintelligence, and special activities, and attendant policies and programs.

(b) *Committees.* The NSC shall establish such committees as may be necessary to carry out its functions and responsibilities under this Order. The NSC, or a committee established by it, shall consider and submit to the President a policy recommendation, including all dissents, on each special activity and shall review proposals for other sensitive intelligence operations.

1.3 National Foreign Intelligence Advisory Groups.

(a) *Establishment.* The right of the President to establish intelligence shall not be affected. Executive Order No. 12066 of January 24, 1978, as amended, entitled "United States Intelligence Activities," is revoked.

Ronald Reagan

THE WHITE HOUSE,
December 4, 1981.

Executive Order 12333, signed Dec. 4, 1981, could be called the "Asteroid Executive Order." It authorized the privatization of intelligence and covert operations, and permitted agencies other than the CIA to conduct "special activities," thus opening the door for the White House-National Security Council staff, or even private entities, to carry out covert operations.

itself, but is a staff for the White House, in broadly defined areas pertaining to national security.

In the early months of the Reagan-Bush administration in 1981, there was a brawl between Bush and Secretary of State Al "I'm in charge here" Haig over the control of crisis management. On March 22, 1981, a leak to the *Washington Post*, headlined "Bush to Head Crisis Management," said that Vice President Bush would be placed in charge of a new crisis management structure, amounting to "an unprecedented role for a Vice President." The *Post* noted that, during the Carter administration, this role had been filled by the National Security Adviser, Zbigniew Brzezinski.

Haig protested, but Bush won out. During this time, Bush seized control of the Special Situation Group (SSG), the status of which was formalized in December of that year.

On Dec. 4, 1981, President Reagan signed Executive Order 12333, which was presented as "unleashing" U.S. intelligence agencies from the restrictions of the 1970s. It did a lot more than that.

1.E.O. 12333, governing all "foreign intelligence" operations, designated the National Security Council (NSC) as "the highest Executive branch entity" for review, guidance, and direction of all foreign intelligence, counterintelligence, and "special activities" (i.e., covert operations). This effectively

WASHINGTON
December 14, 1981

UNCLASSIFIED

NATIONAL SECURITY DECISION
DIRECTIVE NUMBER 3

CRISIS MANAGEMENT

A national security matter for which Presidential decisions and implementing instructions are required more rapidly than routine interdepartment NSC staff support provides may be considered in the context of crisis management.

SPECIAL SITUATION GROUP (SSG)

Crisis management shall be the responsibility of a Special Situation Group (SSG) chaired by the Vice President.

The function

of the SSG will be to advise the President with respect to decision options on domestic, foreign and military policies and actions.

3/16/90
Partly Declassified Pursuant to
Executive Order 12356
by S. Tracy, National Security Council

UNCLASSIFIED
Reason: NSC 1.12(d) 15, 1987

Ronald Reagan

Distribution:
A, B

UNCLASSIFIED

The declassified portions of National Security Decision Directive Number 3 (NSDD-3), which gave Vice President George Bush power over all "crisis management" matters through his control of the Special Situation Group (SSG). This was actually issued prior to NSDD-2, and, taken together, they gave Vice President Bush control of the NSC staff structure.

UNCLASSIFIED
THE WHITE HOUSE
WASHINGTON
May 14, 1982 # 29464

~~TOP SECRET~~

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE DIRECTOR OF CENTRAL INTELLIGENCE
THE CHAIRMAN, JOINT CHIEFS OF STAFF

SUBJECT: Crisis Pre-Planning

National Security Decision Directive 3, Crisis Management, establishes the Special Situation Group (SSG), chaired by the Vice President. The SSG is charged, *inter alia*, with formulating plans in anticipation of crises. In order to facilitate this crisis pre-planning responsibility, a Standing Crisis Pre-Planning Group (CPPG) is hereby established.

The CPPG will be chaired by the Deputy Assistant to the President for National Security Affairs and will consist of senior representatives of your agencies and of the Office of the Vice President. The CPPG will meet periodically in the White House Situation Room and will:

- Identify, to the extent possible, areas where US interests are at stake in which rising tensions or other circumstances suggest the possible emergence of a crisis.
- For each potential crisis, insure that an interagency group is established and developing contingency plans. Provide guidance to the group and task it with the preparation of preemptive policy options to prevent a crisis if possible as well as the preparation of politico-military options for dealing with the eventual crisis.
- Present such plans and policy options to the SSG.
- Devise procedural measures, draft executive instruments and identify resources essential to implement decisions by the President.
- Provide to the SSG, as crises develop, alternative plans of action/options and coordinated implementation plans that will permit successful resolution.

~~TOP SECRET~~
Review On May 6, 2002
Classified and Extended by WPC/Clark
Reason: NSC 1.12(d)

UNCLASSIFIED

~~TOP SECRET~~

- Provide to the SSG, recommended security, cover, and media plans that will enhance the likelihood of successful execution.

The first meeting of the CPPG is scheduled for Thursday, May 20, 1982, in the White House Situation Room from 1000-1200. Agencies are requested to provide the name of their CPPG representative to Oliver North, NSC Staff (Telephone: 395-3345) by May 14, 1982. An agenda will be circulated prior to each meeting. The agenda for the first CPPG meeting is attached.

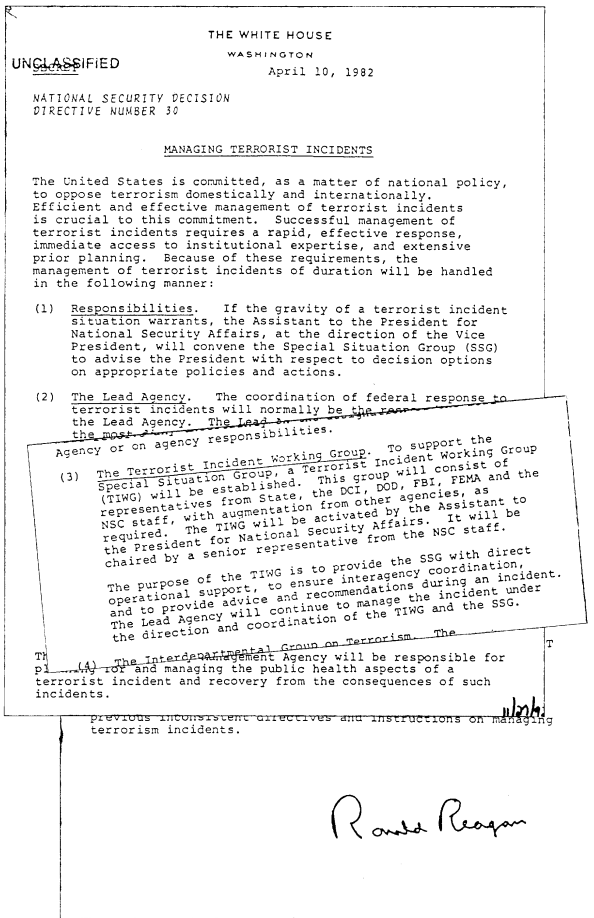
FOR THE PRESIDENT

Bill Clark
William P. Clark

Attachment
Tab A - Agenda for May 20, 1982 Meeting

~~TOP SECRET~~

This May 14, 1982 White House memorandum completed the first phase of the "Bush coup d'état." It established a standing Crisis Pre-Planning Group (CPPG) under the Special Situation Group (SSG). It gave Bush's SSG-CPPG sweeping authority over any crisis, potential crisis, possible crisis, maybe-sometime-in-the-future crisis, and authorized the SSG-CPPG to draw up contingency plans and preemptive policy options to deal with it. Under this interpretation of NSDD-2 and -3, the formal cabinet-level National Security Council itself became almost irrelevant.



NSDD-30, dated April 10, 1982, created the “Terrorist Incident Working Group,” to support George Bush’s Special Situation Group. TIWG was broadened in early 1986 to include an Operations Sub-Group, which was used by Bush, Oliver North, the FBI’s Oliver “Buck” Revell, and the Joint Chiefs of Staff to conduct domestic surveillance and dirty tricks.

put the NSC in charge of the CIA, military intelligence, special operations, and so on. This did not mean that the President’s National Security Adviser would assume this charge, but rather, the NSC staff structure—a structure over which Bush increasingly assumed control.

2. A little-noticed “loophole” gave the CIA—as had been the case since 1947—the exclusive conduct of “special activities” (covert operations) “unless the President determines that another agency is more likely to achieve a particular objective.” This, for the first time, officially opened the door for assigning covert operations to the NSC staff.

3. E.O. 12333 also included provisions for the use of private “assets” by the intelligence and law enforcement communities.

NSDD-2 and NSDD-3

Shortly thereafter, on Jan. 12, 1982, National Security Decision Directive 2 (NSDD-2) was issued, which formalized

the National Security Council structure. It confirmed the existence of a series of Senior Interagency Groups (SIGs) for foreign policy, defense policy, and intelligence—a Kissingerian type of structure which Haig had been fighting against throughout the Reagan administration’s first year. There is no reference to the role of the Vice President in NSDD-2.

But, a month earlier, on Dec. 14, 1981, in between the adoption of E.O. 12333 and NSDD-2, NSDD-3 had *already* been issued. Entitled “Crisis Management,” it formalized Bush’s control over intelligence and secret operations. NSDD-3 affirmed the existence of the Special Situation Group, which, it said, would be “chaired by the Vice President.”

“Crisis Management” was defined as encompassing: “A national security matter for which Presidential decisions and implementing instructions are required more rapidly than routine interdepartmental NSC staff support provides.” The responsibility for crisis management was assigned to the Special Situation Group (SSG) chaired by the Vice President.

Then, on May 14, 1982, the first phase of the Bush “cold coup” was completed, in the form of an extraordinary memorandum entitled “Crisis Pre-Planning,” issued by the National Security Adviser.

Citing the authority of NSDD-3, this memorandum established an inter-agency standing Crisis Pre-Planning Group (CPPG) subordinate to the SSG. This was a cute maneuver; the SSG was to handle national security matters requiring *rapid* response, but then the CPPG was created as a *standing* body, which would meet regularly and develop plans and policies for the SSG. In other words, “crisis management” was no longer just for crises.

The CPPG was charged with meeting periodically in the White House Situation Room and doing the following (emphasis added):

- “Identify, to the extent possible, areas where U.S. interests are at stake in which rising tensions or other circumstances suggest *the possible emergence of a crisis*.”
- “For each *potential* crisis, insure that an interagency group is established and developing contingency plans. Provide guidance to the group and *task it with the preparation of preemptive policy options* to prevent a crisis if possible as well as the *preparation of politico-military options for dealing with the eventual crisis*.”
- “Present such plans and policy options to the SSG.”
- “Devise procedural measures, draft executive instruments and identify resources essential to implement decisions by the President.”
- “Provide to the SSG, as crises develop, alternative plans of action/options and coordinated implementation plans that will permit successful resolution.”
- “Provide to the SSG, recommended *security, cover, and media plans* that will enhance the likelihood of successful execution.”

The scope of this is breathtaking. The SSG-CPPG, under the direct control of the Vice President, assumes control of *any*

area in which a *potential* crisis could emerge, and it develops *preemptive policy options* for dealing with it.

This SSG-CPPG structure, according to a chart later circulated by Secretary of State George Shultz, operated on the same level as the National Security Council (not the NSC staff, which was way down on the chart), and was above the Secretary of State. In reality, it *preempts* and makes irrelevant the actual Cabinet-level National Security Council. It was this to which Secretary of State Shultz vigorously objected in 1983, but he was overridden.

To put the final touch on it, the May 12, 1982 memorandum directs each agency to provide the name of their CPPG representative to—Oliver North.

This still wasn't all. On April 10, 1982, President Reagan was induced to sign NSDD-30, on "Managing Terrorist Incidents." This directive said that if a terrorist situation warranted it, the President's National Security Adviser could convene the SSG "at the direction of the Vice President." Thus, the Vice President even controlled the convening of the SSG.

Additionally, NSDD-30 created the "Terrorist Incident Working Group" (TIWG, or "Tee-wig"), "to support the Special Situation Group" (i.e., Bush). TIWG was composed of representatives of the State Department, CIA, Defense Department, Federal Emergency Management Agency, and the NSC staff, and was to be chaired by a representative of the NSC staff, which, before too long, was—Oliver North.

Thus, under this implementation of the NSDD-3 structure, there was combined, to the extent possible, all intelligence and foreign policy "crisis management" under the operational control of the Vice President of the United States, George Bush.

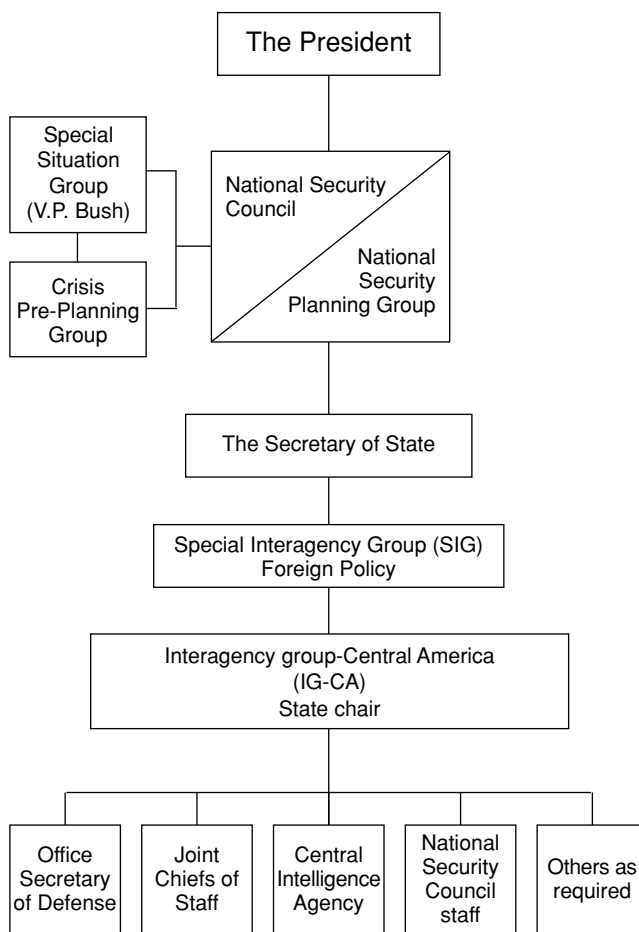
The VP's Terrorism Task Force

The Bush apparatus continued to be refined over the next couple of years. The functions of TIWG were elaborated in NSDD-138, drafted by North and signed into law on April 3, 1984. TIWG was charged with supporting Bush's Special Situation Group. Furthermore, in July 1985, President Reagan named Bush to head up a new Terrorism Task Force, consisting of representatives of the Defense Department, CIA, State Department, and the National Security Council, plus the FBI's Oliver "Buck" Revell (the other "Ollie"), and an Israeli citizen, Amiram Nir—at least until Nir's strange and untimely death in 1987.

The Vice President's Task Force's report, issued in February 1986, created a permanent extension of the task force: the Operations Sub-Group (OSG), officially a sub-group of Bush's TIWG. It also established a permanent counter-terrorism office located in the NSC staff, headed by—Oliver North. North's two assistants, Craig Coe and Robert Earl, were simply reassigned from Bush's task force.

The Operations Sub-Group—the heart of Bush's "secret government"—was a select NSC-DOD-CIA-FBI inter-agency group which operated so as to bypass the regular operations of the intelligence and law enforcement agencies. For

National Security Decision Directive No. 2 structure for Central America



This structure for NSDD-2 operations for Central America was outlined in a White House memo.

example, when the FBI's "Buck" Revell was operating under the authority of the OSG, he would report to the OSG, *not* to the FBI director. The OSG was used, among other things, to run domestic surveillance and "dirty tricks" against Bush's enemies, particularly against opponents of the Contra policy.

This "secret government" apparatus, built up by Bush during 1981-86, was able to draw upon assets from the CIA, the DOD's "special operations" units, and the "private" sector. But the operations run by Bush's White House apparatus were neither "CIA" nor "Pentagon" operations—although those agencies often took the heat. In some cases, the Bush-NSC apparatus was used to do things that the CIA could not, or would not, do. It meshed with the "privatization" of many CIA and U.S. intelligence operations, a process which began with the CIA purges during the Carter administration, and which then accelerated during William Casey's tenure: spinning off what have been called "the asteroids."