

When Corporations Spy

By [Tom Burghardt](#)

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As if illegal spying and dirty tricks by state agencies weren't threat enough to democratic institutions and grassroots activist organizations, hundreds of corporate spy outfits are doing their part-to defend the "homeland" and the bottom line-for the multinational grifters who plunder the world's wealth.

[SourceWatch](#) revealed that [Hakluyt & Company, Ltd.](#), a "British private intelligence agency ... staffed almost entirely by ex-intelligence services staff," was outed by a freelance journalist after the company sought to recruit her "services." The group [reported](#) in August:

Melissa Sweet, a freelance Australian health journalist, reports that she recently received an email from a staffer with Hakluyt. In it she was asked if she would like to become part of a "network of well-placed individuals around the world who are able to provide us, very discreetly, with intelligence on specific commercial or political issues that may arise." In particular, they were seeking her assistance for an anonymous "financial institution" client on "a new project on the new Australian government's healthcare policy-how realistic their reform ambitions really are", "the role of the private sector" and other matters. Sweet responded by pointing out that she was a journalist not a consultant. Undeterred, the Hakluyt staffer wrote back explaining that as a journalist she was likely to have "dozens of well-placed sources in the field" and that the company already has "a number of quality, usually specialist journalists that we deal with". In 2001 Hakluyt was outed for infiltrating Greenpeace in Europe. ("Hakluyt & Company Limited," SourceWatch, August 1, 2008)

The Sunday Times [reported](#) in 2001 that Hakluyt hired Manfred Schlickerrieder, a German foreign intelligence operative tasked by the firm to spy on Greenpeace at the behest of oil giants BP and Shell. According to *The Sunday Times*:

His political credentials seemed impeccable: he had once been chairman of the Munich branch of the German Communist party and the bookshelves of his office held the works of Bertolt Brecht, the Marxist playwright and poet.

Behind the facade, however, Schlickerrieder was a spy working for both the German secret service and for Hakluyt, a private intelligence agency based in London's West End and set up by former officers of MI6, the secret intelligence service. His codename was Camus after Albert Camus, the existentialist author of *L'Etranger*.

Hakluyt paid him thousands of pounds to inform on the activities of Greenpeace, Anita Roddick's Body Shop and other environmental campaigners. The BND, the German equivalent of MI6, allegedly paid him £3,125 a month

living expenses. (Maurice Chittenden and Nicholas Rufford, "MI6 'Firm' Spied on Green Groups," The Sunday Times, June 17, 2008)

Also in 2001, *after* the Greenpeace scandal exploded, Christopher James, Hakluyt's Managing Director, [wrote](#) to the disgraced CEO of Enron, the convicted felon Jeffrey Skilling, bragging of Hakluyt's unique "services":

The range of deployments we have completed for core clients is wide. In all cases we guarantee complete confidentiality. And, although we work for divisional directors on tactical issues, we have found our most rewarding work in personal dealings with CEOs who wish-for whatever reason-to have a confidential agency at their own disposal. It was this, which prompted Phil Carroll to write to you about us in April as he has found our work of considerable value to him personally. We look at people and the issues, which often drive them to make the decisions or act as they do. All our work is unattributable.

To sweeten the pot, James told Skilling,

We also have an association with Kissinger/McLarty Associates for although our work is very different the services we both provide can be complementary. Our US client base is increasing well but at the same time we wish to remain small and discreet. (Confidential email from Christopher James to Jeffrey Skilling, posted by Enron Explorer, July 8, 2001)

Talk about a small (and very greedy) world!

But Hakluyt wasn't the only firm engaged in corporate espionage targeting green groups. As investigative journalist James Ridgeway [reported](#) last April,

A private security company organized and managed by former Secret Service officers spied on Greenpeace and other environmental organizations from the late 1990s through at least 2000, pilfering documents from trash bins, attempting to plant undercover operatives within groups, casing offices, collecting phone records of activists, and penetrating confidential meetings. According to company documents provided to **Mother Jones** by a former investor in the firm, this security outfit collected confidential internal records—donor lists, detailed financial statements, the Social Security numbers of staff members, strategy memos—from these organizations and produced intelligence reports for public relations firms and major corporations involved in environmental controversies. ("Cops and Former Secret Service Agents Ran Black Ops on Green Groups," Mother Jones, April 11, 2008)

The firm, the now-defunct Beckett Brown International, provided a "range of services" for heavy-hitting corporate clients including Allied Waste, the Carlyle Group, Halliburton and Monsanto. Headquartered in Easton, Maryland, BBI "worked extensively" for public-relations firms Ketchum, Nichols-Dezenhall Communications, and Mongoven, Biscoe & Duchin. According to Ridgeway,

At the time, these PR outfits were servicing corporate clients fighting environmental organizations opposed to their products or actions. Ketchum, for example, was working for Dow Chemical and Kraft Foods; Nichols-Dezenhall, according to BBI records, was working with Condea Vista, a chemical manufacturing firm that in 1994 leaked up to 47 million pounds of ethylene dichloride, a suspected carcinogen, into the Calcasieu River in Louisiana.

BBI was apparently good at what they did until the firm ran to ground in 2001, provoked by “infighting between the principals.” But don’t despair, Ridgeway tells us that “the firm’s officials went on to work in other security firms that remain active today.” Call it another prime example of keeping the “homeland safe”—and profitable—for the corporate grifters who ceaselessly labor to destroy “our way of life.” *Their* dream, *our* nightmare.

Big Budgets, Global Reach

With global reach, seemingly limitless budgets and often staffed by ex-military and security operatives, the world of private spying is a big business with a huge growth potential, particularly when citizens revolt against the sordid schemes of corporate polluters, defense contractors and resource grabbers.

Indeed, as legendary researcher Frank J. Donner documented in his landmark books, *The Age of Surveillance* and *Protectors of Privilege*, “a more functional public-private linkage is often found on the urban and state levels” where connections amongst right-wing groups, corporations and the government abound.

Historically, this nexus included organizations such as the semi-official Law Enforcement Intelligence Unit (LEIU), ultrarightist outfits such as the John Birch Society, Church League of America, the Minutemen, Legion of Justice, the American Security Council, and “legitimate” private detective agencies such as Pinkerton, Kroll, Burns and Wackenhut.

But as the corporatist state totters on the brink of economic collapse, in no small part the result of greed and gross criminality by top-flight financial institutions, banks, investment firms and other corporate grifters linked to the Bush administration and the Republican and Democratic parties, the capitalist state will require a vast legion of private spooks to “keep the rabble in line.”

There certainly are plenty of them.

In 2006, the *World Socialist Web Site* [reported](#) that high-tech powerhouse Hewlett-Packard was caught red-handed in a corporate spies-for-hire scheme to stanch leaks.

The spying campaign, launched by H-P board Chairwoman Patricia Dunn in response to leaks to the press of internal corporate discussions, included surreptitiously obtaining the phone records of H-P board members and employees, surveillance of board members and journalists, and the emailing of spyware to journalists in an effort to learn the identity of their sources within the company.

Private telephone records on hundreds of cell and home telephones were obtained by a method called “pretexting,” in which investigators made repeated calls to telephone companies, pretending to be the individuals targeted, until they were able to convince a phone company employee to

release the information. (Patrick Martin, "Hewlett-Packard spying scandal sheds new light on U.S. corporate 'ethics'," World Socialist Web Site, 2 October 2006)

The corporate spooks, their tradecraft acquired through years of practice as dodgy state operatives, were hired through a series of "cutouts" designed to provide top company officials with "plausible deniability" should their cover be blown.

Among the firms employed by H-P were the Boston-based Security Outsourcing Solutions (**SOS**). According to Martin, the "dirty work" was outsourced to Action Research Group (**ARG**) of Melbourne, Florida. A blurb on SOS's website claims that the company will "work with internal security departments that do not have the expertise and or resources to address all of their organization's security concerns."

That's rich, considering that H-P clocks in at No. 14 on the 2008 Fortune 500 list and recently agreed to pay \$12.6 billion to buy out Electronic Data Systems! An additional subcontractor, Eye in the Sky Investigations, **described** itself as providing (as of 2004) "skip tracing services" for "the licensed private investigator, finance company, collection agency, recovery agency, bail bondsman, info brokers." A handy list of charges for company "services" was even listed on Webspawner.

While ARG's website is blocked, a simple Google search uncovered a "**Complaint for Injunctive and Other Equitable Relief**" filed February 14, 2007 by the Federal Trade Commission (FTC) in United States Federal District Court, Orlando Division, against ARG and Eye in the Sky Investigations.

The complaint against corporate officers of the firms charged the companies with gross violations of the Telecommunications Act of 1996 for illegally obtaining "customer proprietary network information."

Indeed the FTC accused ARG and other defendants in the suit with engaging in an egregious "invasion of privacy" of confidential customer phone records "likely to cause substantial harm to consumers." According to court documents:

The account holders have not authorized Defendants to access or sell their confidential customer phone records. Instead, to obtain such information, Defendants have used or have caused others to use, false pretenses, fraudulent statements, fraudulent or stolen documents or other misrepresentations, including posing as an account holder or as an employee of the telecommunications carer [sic], to induce officers, employees, or agents of telecommunications carers [sic] to disclose confidential customer phone records. Defendants have sold the confidential customer phone records that they have obtained to their clients or others.

Sounds like business as usual to me!

The *San Francisco Business Times* **reported** in May that the named defendants agreed to pay some \$600,000 to settle the case with the FTC for their role in the illegal H-P spying operation. Keep in mind, this is but *one case* in what must be a tsunami of illegal covert operations by American corporate behemoths!

Wal-Mart and Raytheon: Best Friends Forever!

While the hunt for “subversives,” often under the direction of corporate associations such as the National Association of Manufacturers, the American Chamber of Commerce and related “defense” industry trade and lobby shops, occupied corporate spooks during the McCarthy period, by the late 1970s and down to the present moment, environmental, labor, antiwar, antinuclear, antiglobalization and increasingly, civil liberties and privacy advocates have entered the frame, often with a vengeance.

Indeed, according to [Wal-Mart Watch](#), the retail giant’s Threat Research and Analysis Group conducted extensive spying operations against critics and employees until it was revealed by a whistleblower. Bruce Gabbard told [The Wall Street Journal](#),

Wal-Mart began beefing up its electronic call surveillance after the Sept. 11, 2001, terrorist attacks in response to government requests to employers in general to help find terrorist cells. Mr. Gabbard says he was directed by two former FBI agents working for Wal-Mart to set up a system that could track any calls to and from Syria, Yemen and Iran, among other countries. The search was unsuccessful, only flagging an apparent call from Iran that turned out instead to be from an Indian jeweler, according to Mr. Gabbard.

Later, he says, he used the same equipment to intercept and record calls from the **New York Times**. (Ann Zimmerman and Gary McWilliams, “Inside Wal-Mart’s ‘Threat Research’ Operation,” *The Wall Street Journal*, April 4, 2007, Page B1)

Wal-Mart whistleblower Gabbard said the electronic surveillance “accelerated” in 2005 when leaked documents began appearing on the website of the pro-union group [Wal-Mart Watch](#). One memo “suggested” that because of rising healthcare costs and criticism of the corporate giant’s policies “the retailer should revise its policies by hiring healthier workers and requiring all jobs to perform physical activity, such as retrieving shopping carts.”

According to the *Journal*, Wal-Mart began working with Oakley Networks Inc., a developer of “insider threat management” gear to surveil employee computer usage over the retail giant’s network. Indeed, the *Journal* reports that one Oakley system is capable of recording an employee’s keystrokes “and deliver a TiVo-like replay of his or her computing activities.”

While confirming the “advanced capabilities” of its system, Oakley Networks refused to identify its customers “apart from the U.S. Defense Department.” Zimmerman and McWilliams reported that “the system goes beyond keystroke capture products and email filtering packages” providing “a view of content” moving across a targeted network.

Oakley Networks Inc., now a wholly owned subsidiary of Raytheon (Raytheon Oakley), was founded in 2001 and “acquired” in 2007 by the defense giant. It is now a major component of Raytheon’s “Intelligence and information Systems (IIS) business.” According to a blurb on their [website](#), “Raytheon Oakley protects 10 of the Fortune 100 banking, technology, manufacturing and other critical commercial infrastructure companies.” *Washington Technology* [reported](#) “terms [of the deal] were not disclosed.”

And with “security” in the *heimat* the latest frontier to be conquered by “war on terror” corporate profiteers, is it any wonder that private surveillance has become a lucrative growth industry. Indeed, there’s even a trade association, the Homeland Security Industries

Association ([HSIA](#))! A Washington, D.C.-based lobby group, HSIA describes its mission as providing “a mechanism for government and the private sector to coordinate on a wide range of homeland security issues.”

And do they ever coordinate!

Members include corporate heavy-hitters such as Bechtel, Fluor Corp., Lockheed Martin, Raytheon, Textron and Washington Group International. Mid-sized firms such as E.J. Krause & Associates, Intelsat Government Solutions, Galileo International, Shaw Group, and Worldwide Security Associates. Additionally, smaller firms and universities include AR Challenges, Georgetown University, Intelliorg, the John Hopkins Applied Physics Lab, and QED are saddled-up in HSIA’s stable.

As *USA Today* [reported](#) back in 2006,

Without another major terrorist attack like those of 9/11, Homeland Security Research, the industry tracker, expects the market for security goods and services to increase to \$178 billion in 2015, or triple its current value.

But a major attack in the United States, Europe or Japan could increase the global market in 2015 to \$730 billion, more than a twelvefold increase, the company says.

Most of the growth this decade will come from building what Homeland Security Research calls “a homeland defense infrastructure.” Growth areas are likely to include technology for surveillance and for detection of nuclear and other weapons of mass destruction. (Gary Stoller, “Homeland security generates multibillion business,” *USA Today*, September 10, 2006)

As can be seen from this overview, corporate spying like “outsourcing” state security and intelligence functions to corporatist “partners” are another means of providing “plausible deniability,” global reach and maximum capabilities in the subversion of democratic institutions in the service of imperialist Empire.

We can be certain of this: as the American economic house of cards continues its epochal collapse, a viper’s nest of state and private intelligence operatives will be unleashed upon the American people.

Tom Burghardt is a researcher and activist based in the San Francisco Bay Area. In addition to publishing in *Covert Action Quarterly*, *Love & Rage* and *Antifa Forum*, he is the editor of *Police State America: U.S. Military “Civil Disturbance” Planning*, distributed by [AK Press](#).

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