

**Public, Private, and Secret
Activist intelligence and covert corporate strategies**

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Abstract

In the search for a theory on intelligence, Eveline Lubbers carves out a niche for what she calls *activist intelligence and covert corporate strategies*. In this paper she presents her PhD research about intelligence and activism. Her thesis addresses the ways corporations seek to manage, manipulate and undermine their critics in NGOs and civil society. Bringing together a set of case studies examining corporate spying, it investigates how big business infiltrates activist groups. The study investigates the informal dimension of information gathering often shrouded behind the politics and practices of reputation management, an issue rarely considered in academic literature or mainstream media. Her effort to identify the topic of *activist intelligence and covert corporate strategies* must be understood as a proposal for a new field of research. At the same time, this work seeks to be a contribution towards a better understanding of large corporations in their pursuit of power. Multidisciplinary research will be required in order to understand the phenomena in the context of globalisation, the growth of corporate power and the crisis in democracy.

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My thesis is about intelligence and activism. It addresses the ways corporations seek to manage, manipulate and undermine their critics in NGOs and civil society. Specifically, it is about how big business infiltrates activist groups. The study investigates the informal dimension of information gathering often

shrouded behind the politics and practices of reputation management, an issue rarely considered in academic literature or mainstream media. It is my aim to claim visibility and acknowledgment for activists' experiences of spying and infiltration, and to promote *activist intelligence and covert corporate strategies* as an area of legitimate and important academic inquiry. In order to reach these goals a set of detailed well-sourced examples seems an indispensable first step. The availability of documents as primary sources in each of the case allowed me to go beyond the publicly known version of the various stories. The documents include surveillance reports and intelligence assessments, court transcripts of private investigators giving evidence, and internal strategy plans prepared by specialised 'consultants' for large corporations targeted by boycott campaigns. Each example has been systematically analysed to map the different aspects of the spying process. Based on my activist experience of monitoring police and intelligence agencies, I tried to analyse each case as an actual intelligence operation. I discovered that corporate intelligence gathering facilitates pro-active measures, which can result in covert strategies to frustrate and undermine public protest. These covert counterstrategies are closely related to mainstream corporate strategies to pursue power, on a continuum public relations (PR) and lobbying.

To address the blind spots in investigating corporate spying I would like to introduce a new field of research best described as *activist intelligence*. This topic focuses on intelligence gathering, the methods used and the people professionally involved. It also includes the processing of the information gathered and the subsequent strategic planning by corporations to make use of it: *the covert corporate strategies*. Furthermore, this research should be understood in the context of the marketisation of intelligence, as a result of which *public* officers enter the *private* sector, and continue to undertake their *secret* work. (Hence the - provisional - title of this thesis.) As a shift from public to private intelligence, this is an aspect of privatisation and the growing power of transnational companies (TNCs) in the world. What are the implications of these findings for corporate governance? How do they relate to the increasingly blurred boundaries between public and private in the context of globalisation and neoliberalism?

Context

Corporations have felt a growing pressure from their critics over the last few decades. In an effort to roll back the adverse publicity their environmental, labour and consumer records so often invite, many giant corporations started looking for new strategies to counter the activities of their opponents. Two developments that characterise the current time frame are of great importance here. Today, identity and image are often key to a corporation's value, over and above its actual products or services. The more companies shift toward being all about brand identity (as Naomi Klein has explained in her book *No Logo*, 2000), the more vulnerable they are to attacks on this image. At the same time, corporations are becoming less and less restricted by national laws or unilateral treaties. In

some cases they are more powerful than governments, and must expect to be held to account in the same way. Consumers are demanding sustainability, accountability and transparency. Losing control in the media arena as a result of activist pressure has become a public relations nightmare for the modern multinational. The industry learned that lesson the hard way. Shell's lost battle over the Brent Spar in 1995 and the human rights situation in Nigeria haunts the oil company to the present day. These cases have become landmarks in the field of corporate responsibility. Likewise, Monsanto became famous for its gross underestimation of European resistance against its introduction of genetically engineered products. Accordingly, reputation management now includes the gradual embrace of mostly voluntary and non-binding corporate social responsibility (CSR) guidelines. This embrace is often inspired by the idea that repositioning the corporation via PR, changing identity, would be a sufficient solution and often covers an underlying unwillingness to establish a more substantive corporate accountability regime. Deborah Doane identified "brandishing CSR as the friendly face of capitalism", as a corporate strategy that gained popularity since the protests in Seattle in 1999 and subsequent civil society mobilisations against corporate power. (Doane, 2005a: 23) The problem with assuming that companies can do well while also doing good is that markets do not really work that way. Companies will not invest in social behaviour without compelling financial incentives, effectively summarised by Rob Gray as "accountability should hurt." (Gray, cited in Dey, 2003: 6)

And perhaps more significant is the strategic calculation that if business aims to deliver better social and environmental outcomes governments would not regulate. Apart from that, minimising the impacts of big business is not enough. In her conclusions Doane dismissed CSR altogether as simply PR strategy. A sustainable future requires the transformation of markets, and an end to the larger corporate winner-takes-all approach. Research evaluating the disappointing degree of institutional reform designed to empower stakeholders substantiated these conclusions. David Owen (2005) undertook a critical assessment of a dozen current 'leading edge' reporting initiatives chosen from the short-list for the 2003 *ACCA UK Sustainability Reporting Awards Scheme*. He found that whilst the corporate lobby apparently advocated a commitment to accountability, their claims were very much pitched at the level of rhetoric. More recent research from St Andrews University confirms that attempts by multinationals to talk up their social and environmental responsibility are so threadbare and misleading that they are preventing progress towards a sustainable future. (Gray and Bebbington, 2007) Even someone like George Soros observes that capitalism without regulation leads to dangerous excesses. (Soros, 2008)

The power of spin can no longer protect big business's growing vulnerability. PR departments are not sufficiently equipped to deal with today's complicated stakeholder demands. Companies under fire are in need of other strategies to counter their critics. They attempt to influence political processes by means of a variety of tactics. It is useful to conceive of these as public and open on the one

hand and as secretive and covert on the other. The former includes marketing communications, CSR and public relations (PR) including maintaining stakeholder relations with for instance investors or specific communities. The latter includes lobbying, regulation and covert activities. The past two decades witnessed the development of a wide range of such strategies and tactics. In the edited collection *Battling Big Business, countering greenwash, infiltration and other forms of corporate bullying* I first explored this field. The book starts with an overview of overt strategies such as PR, greenwash and sponsorship. It shows that dialogues and partnerships with NGOs are often used to separate more moderate organisations from their more radical counterparts, in an attempt to breach solidarity. The book also discusses more covert tactics, such as hiring specialised PR consultants like Burson-Masteller to fight activists on all fronts, corporate lobbying behind the scenes, the use of libel laws to silence critics (including scholars...) and think tanks influencing decision making processes in both the USA and the European Union. Additionally, *Battling Big Business* contains a section on *Undercover Operations*, on spying and infiltration as a strategy to undermine the work of activist groups. (Lubbers, 2002) It was not until I had finished editing the book that I realised that this classification was slightly inaccurate. Corporate spying and infiltration should not be considered as *just* another set of counterstrategies, grouped alongside greenwash, lobbying or libel. Indeed, corporate spying and infiltration *can* be used as such, but there is more to it. Spying also involves the gathering of intelligence that *precedes* the development of corporate counterstrategies. Or – vice versa – a corporation does not spy on its critics just to know what is going on, it does so to be prepared and to defend itself. The connection between surveillance and the gathering of intelligence on the one hand, and the subsequent corporate strategising on the other, is crucial. For me, this connection constitutes the point of departure for this research.

Essentially, in *Battling Big Business* I explored the *broad range* of possible corporate counterstrategies. This research, however, is a more strictly focussed, *in-depth* investigation into intelligence gathering on activist groups and the covert strategies that corporations use to undermine criticism. The underlying question is how such counterstrategies function in safeguarding the interests of large corporations in the context of a globalising world. Consequently, research into this aspect of corporate power needs to be situated within the wider context of globalisation, governance and democracy.

Research problem

My study investigates the informal dimension of information gathering often hidden behind the practices of reputation management. First and foremost, a company needs to know what is coming its way. Therefore, nowadays business intelligence has gone beyond details about the world economy, overseas wars and news about the competition. It must now include an assessment of the risks of becoming the target of campaigners, boycotters or net activists. Publicly available information is not sufficient for this task. Informal data, however obtained, is invaluable. Desirable information is not limited to concrete action

scenarios but can be as broad (and vague) as long-term strategy discussions, impressions of the mood inside a campaigning group, connections between organisations, networking possibilities, funding details – and so on. It is this indispensable informal information about activists, NGOs and other stakeholders, their ideas and plans that I propose to call *activist intelligence*. This topic includes the many ways to get this kind of information, while this thesis focuses on secret operations. Intelligence refers to product of the analysis of gathered information, and also to the process of evaluation - sometimes called assessment. (Gill and Pythian, 2006: 82-102; Shulsky and Schmitt, 2002: 41-74). The intelligence about activists, NGOs and other stakeholders, their ideas and plans thus gathered, provides the basic material for the development of *covert corporate strategies*.

Research questions

The research questions for this thesis could be summarised as: *what is activist intelligence, and what are corporate counterstrategies?* The goal is not merely to develop a definition, but rather to explore the field, using the selected case studies, to understand how *activist intelligence and corporate covert strategies* function in safeguarding or advancing the interests of corporations in the context of a globalising world. More specifically, this research aims to answer the following six questions.

1. How do TNCs gather intelligence about their critics?
2. What kind of information do they seek?
3. Who are the people involved in activist intelligence and covert corporate strategies?
4. What are the covert strategies that TNCs use to undermine criticism or activist groups?
5. How does corporate spying relate to corporate social responsibility and issue management?
6. What is the power context in which activist intelligence is produced?

To address these questions this thesis seeks to place the phenomena of corporate surveillance and infiltration in a historical, social and political context.

Chapter overview

The first chapter focuses on the *covert corporate strategies* to see how they relate to the privatisation of intelligence functions and other aspects of globalisation and neoliberalism. The exploration of how the tensions between public, private and secret in terms of civil society, activism and the corporate response relate to the pursuit of corporate power is used to create a theoretical framework to capture the history and practice presented. More specifically, the under-researched aspect of secrecy connects the detailed micro-level case studies to more generalisable concerns such as the legitimacy of the state and the license to operate of transnational corporations (TNCs) in a globalised world. How do we decide what story we want to tell with our research? In the Methods and Ethics chapter I try to answer the question of how to locate my work, and

how to position myself as a researcher. I see my work as part of the network of movements convinced that *another world is possible*. I will explain epistemological responsibility in terms of the so called ecological mindset. Incorporating my years of experience as an activist, I argue that commitment supports rather than challenges social research. Finally this chapter examines difficulties researching the field of corporate intelligence, more specifically the discovery of what I call 'hidden and dirty data'- in terms of access and obstacles. After the fieldwork of uncovering the stories, I have tried to verify the source material while critically examining the way I got access to it. The case studies represent a descriptive phase of the inquiries, while the final chapters analyse the tactics and strategies used that surpasses the case-level and aim to fulfil the need for theorisation and conceptualisation.

Modern corporations exist to promote and defend their core interests, while modern states seem to be organised to suit the demands of business. The History chapter explains that this phenomenon dates back to the early days of mass industrialisation. As the historical examples from the USA and the UK will show, propaganda efforts have always been closely related to covert corporate strategies. Of course, the targets of corporate strategies have changed, and the use of armed force has diminished, but there is a similarity between the strategies and tactics used then and now. At the end of the 19th century, the United States saw agencies like the notorious Pinkerton's provide armed guards and strike breakers to deal with social unrest. They jumped in where the state failed to ensure the protection of business, or closely cooperated with local authorities that did not have enough manpower and facilities to deal with insubordinate work forces. Later, during the Depression and the New Deal reforms in the 1920s and 1930s, employers hired PR professionals to defend the need for violent confrontations and covert operations, such as espionage and infiltration. In the UK, the government as well as organisations of employers had learned to appreciate the value of propaganda and internal surveillance during the First World War. They continued to use such practices because they were afraid of revolutionary outbreaks in the early 1920s. The Economic League is here described as another example of projects set up by British industrialists to defend corporate interests.

There has been a steady increase in the blurring of the boundaries between public and private intelligence since, a good example of which are the Netherlands of the 1980s. Back then, out of solidarity with South Africa, a wave of radical activism hit transnational companies evading the trade embargo against the apartheid regime. Discontented with the police investigations and the level of protection the Dutch authorities offered, companies under attack decided to solve their problems in their own way, which accelerated the privatisation of activist intelligence, and paved the way for the establishment of the Benelux Office of Control Risks.

The roots of *activist intelligence and covert corporate strategies* can be traced back to the late 1970s. Rafael Pagan developed strategies for Nestlé and Shell to counter the boycotts targeted at those companies. The aim was to influence the public debate and to undermine the broad coalitions of campaigning groups.

The analyses are based on extensive internal strategy report (Shell) and an insider assessment of the boycott (Nestlé). Fast food firm McDonald's hired at least seven spies to find out who was behind the leaflet *What's wrong with McDonald's?* The company sued the campaigners, and two of them went to court to defend the leaflet in what is now known as the McLibel Trial. The court transcripts reveal many interesting details on the infiltration, and the procuring of information about the small activist group. The case study also analyses how the scale of infiltration affected the group, and examines collaboration between McDonald's security, the hired detectives and Special Branch. The third case study focuses on cyber surveillance and profiles three agencies specialised in on line monitoring of activists and other critical groups. One of the examples reconstructs how Monsanto's Internet consultants created virtual personalities to attack the authors of a GM-critical research paper in *Nature*. The examples riposte to uncritical celebration of new media and its democratic potentials in new media theory. The fourth case study outlines the practises of a freelance spy working for Hakluyt & Company, a London business intelligence bureau founded by members of MI6 and SIS (the British foreign secret service) and several oil companies. Their freelance spy was uncovered after the Swiss group he infiltrated became suspicious. Documents retrieved from his office indicated he also worked for German state intelligences agencies. The variety of jobs undertaken by this free lance spy provides a practical illustration of the blurring boundaries between public and private, and the scale and scope of this practice in inherently secret work. The fifth and last case study analyses how British Aerospace (BAe) hired a small private intelligence agency to spy on the Campaign Against Arms Trade (CAAT). The agency was owned by Evelyn Le Chêne, a woman with a considerable intelligence background. Between 1996 – 2003, six to eight agents infiltrated CAAT over a period of time. A considerable amount of printed reports to BAe allows an analysis of the methods of intelligence gathering, as well as the strategies suggested by Evelyn le Chêne to undermine the activist groups involved.

Findings

The concluding section outlines the essence of activist intelligence today. It attempts to map the blurring boundaries between what used to be public and private, and the secrecy that comes with unruly exchange of information and intelligence. I found that *the covert corporate strategies* can be interpreted as means to set the agenda, to undermine the public debate, and as attempts of engineering consent. What does it mean if we accept a practice of spying and covert corporate action, secretly manipulating critical voices? How to understand the present state of governance against a total lack of transparency?

The analyses of the case studies provide a first outline of what the *activist intelligence and covert corporate strategies* entails. The case studies offer a primary response to the general lack of research material about this specific issue of corporate spying and covert strategising. The findings map the details of corporate spying in a systematic way (for the first time, as far as I am aware of),

and analyse how the gathered intelligence was used to counter the targeted activists. I defined four descriptive categories to capture the full range of the research field: ways to gather intelligence, types of infiltrators, the flex power network constituted by privatised intelligence officers, and measures to counter corporate critics and their actions. The evidence includes examples of each of the repressive actions as defined by Gary T. Marx (1979: 96): the creation of an unfavourable image, disinformation, restricting a movement's resources and limiting its facilities, derecruitment of activists, destroying leaders, fuelling internal conflicts, encouraging conflicts between groups, and sabotaging particular action. The analyses also substantiated the relation between the gathering of intelligence about activists and the corporate acting upon it.

The research terrain of intelligence gathering and covert operations generates a lot of difficulties in locating sources. I have discussed the issues of getting access and overcoming obstacles in this field with the help of the work of Gary T. Marx. (1984) On another level these difficulties offer a first and incomplete explanation for the fact that corporate spying on activists has not been investigated in a systematic way before. And the lack of research implies that it is virtually impossible to generalise the findings. It is difficult to say if this selection is representative in any kind of way, or to judge whether these are the worst cases, as there is – as yet – no framework of reference. The cases do however represent an underlying unwillingness to change damaging business policies and illustrate what length a company under attack is prepared to go to avoid criticism. The lack of academic interest in the research terrain of corporate spying, the experiences of those spied upon, and the consequences of these covert practices in mainstream social and political sciences is hard to explain. Part of this blind spot may be caused by epistemological bias. Intelligence studies, as was shown in chapter one, focuses on the more 'classical' parts of state security services, their tasks and failures. Issue management does not detail the practices of information gathering on the critics of corporations, or subsequent strategies to undermine them. Another cause for this blind spot could be the socialisation of academics into professional and depoliticised intellectuals focused on the production of distanced and 'objective' science. Fear to be associated with the subject of research and their potentially left-leaning political opinions, strategies or practises, might be a motivation to keep away from this research terrain. Declining job opportunities within the increasingly overlapping social spaces of the university and corporate interests can be a reason too.

Research into cases of activist intelligence and covert corporate strategies is almost by definition historical, for the simple reason that source material about ongoing operations hardly ever is available. (An exception to this 'rule' would be Plane Stupid, the NGO fighting the expansion of Heathrow. It would be interesting to do a kind of anthropological study while the surveillance is in motion.) This work can, however, be described as a 'history of the present.' My concern is both archival and analytical. As the field of study is new, there is a

need for well-sourced case studies to describe and outline the matters at stake. But, as David Garland put it, in his work *The Culture of Control*, the history proposed is “not motivated by a historical concern to understand the past, but by a critical concern to come to terms with the present.” (Garland, 2001: 2) The point is to use the history to rethink the present. But the practices of activist intelligence and corporate counterstrategies need to be described and mapped first, to understand how this field is currently constituted and situated between other fields of study. On the theoretical level, these case studies reveal the need for a new cartography to map the shifting grounds of corporate intelligence, including activist intelligence.

To address the blind spots in investigating corporate spying I – as said – would like to introduce a new research area called activist intelligence. Inspired by the work of Judith Richter (1998) I have drafted the following description, to be understood in the field of *grey intelligence* (Hoogenboom, 2006: 373):

Activist intelligence and covert corporate strategies refers to intelligence gathering and assessment of the socio-political climate in which the particular company is operating; activities to manipulate public debates in a direction favourable to the company; and activities to exclude what the industry perceives as diverging or antagonistic voices. Additionally, *activist intelligence* refers to the organisation, and thus the people that collect and analyse the intelligence and are involved in the subsequent (covert) actions, a flex power force of privatised intelligence people now working for big business.

This field of research focuses on intelligence gathering, the methods used and the people professionally involved. It also includes the processing of the information gathered and the subsequent strategic planning by corporations to make use of it: the covert corporate strategies.

Who are the people involved in activist intelligence and covert corporate strategies? The encountered spies and strategists share a background of former careers with the police, the military or intelligence agencies. The evidence confirms that most private investigators see such background as a selling point and do not hesitate to use connections with former colleagues or friends. The result is an informal circuit of information exchange through what used to be called *the old boy network* – and now *flex power* in modern terms. (Wedel, 2004a, 2004b; Mills, 1956). The same collection of people keeps resurfacing in multiple roles, both inside and outside government. My research focused on a specific area of grey intelligence: former intelligence officials now hired by private companies to do intelligence work exclusively defending the interests of that specific company. This network consists of specialised consultants with TNCs as their clients, and former officials specifically hired to deal with the risks and manage the issues of a company under fire. The field of *activist intelligence* seeks to map this privatised intelligence network, and the adjoining job specifications. This network will be difficult to monitor, but because of its influence behind the scenes it has to be undertaken none the less.

Future research should include an examination of the political economy of activist intelligence. How many privatised intelligence companies exist, including the specialised subdivisions of consultancy bureaus? What is their annual turn-over and how many people do they employ? Who are the people working there, and what expertise, knowledge and contacts do they have? The research should preferably include client lists and examine the nature and details of contracts. Closely related to research into the political economy of the field, is the exploration of the so called revolving doors. The research area of activist intelligence includes more than privatised secret agents now working for large corporations. Recent years have seen transfers of members of critical NGOs to multinationals such as Shell and Monsanto (and vice versa for that matter, for instance former Shell CEO now working for Amnesty International). Journalists have been recruited by corporate intelligence agencies, bringing their experience in the gathering of information and analysing of data. Do they use their contact network to lubricate access to the media, or to keep issues of the agenda?

The high-ranking officials who go private have been privy to classified and top secret information for years. They take that knowledge with them as well as – potentially – continuing access to it through their contact network within the government intelligence agencies, at home and abroad. They have details about intelligence programs, covert operations, and the internal affairs of other countries and their own that few others can claim. The extent of their knowledge and their continuous access to it determines their price on the job market, depending of course on their own ability to capitalise their knowledge.

Theoretically, the ‘profit motive’ also includes a change of loyalty. The duty of loyalty to the greater good, to the collective best interest of all is now converted into the interest of a few, or self-enrichment (or both). (Shorrocks, 2008: 28-36) The concept of flex power can help to comprehend the structure of power, and its localisation. The circumstances of retreated states and diffuse authority provide greater incentives to play multiple, conflicting roles that overlap government, business and NGOs. For *future research* a social network analysis can be a valuable addition to the discourse of privatisation. It can provide further snapshots of the workings of governance and the complex entanglements of formal and informal state and private structures and processes.

By examining relationships among formal and informal institutions, organisations and individuals, it is ideally suited to map mixes of organisational forms, the changing, overlapping and multiple roles that actors within them may play and the ambiguities surrounding them.” (Wedel, 2004: 220)

Network analysis is powerful both “as an orienting idea” and as a “specific body of methods” (Scott, 1991, in Wedel, 2004: 220) to establish patterns and theories.

How does corporate spying relate to corporate social responsibility and issue management? CSR guidelines are currently embedded in a vow to more honesty and transparency in business policy. The first question would be how such a

guiding principle relates to the use of covert techniques against stake holders as presented in the case studies. The most straight forward explanation is given by Milton Friedman (1962), who thought that corporation's ultimate aim is nothing but profit and self-interest. CSR can only be tolerated, as long as it sells goods. Reasoning along these lines, Friedman would approve of the use of corporate counterstrategies. Even more so, he would consider them unavoidable and essential maybe for the modern corporation to guarantee its position. Issue management is closely related to public relations (PR). Both grew out of the recognition of the necessity for corporations to defend themselves – presently against “protest groups who gain public support by striking public chords.” (Baskin, Aronoff and Lattimore, 1997: 80) The literature on issue management emphasises the need for scanning, monitoring and tracking external forces, and the subsequent policy development, strategy planning and the implementation of action. However, the question of information gathering is all together avoided and the literature does not explain what exactly the actions to be implemented imply. Some – but not many – authors refer to the intelligence character of issue management, but only by borrowing the language. The case studies in this research are an effort to fill this gap, providing a wealth of examples of what Renfro (1993: 63) called “issue operation plans” and of intelligence gathering operations to keep taps on the development of potential issues. The first – to my knowledge - to explicitly connect CSR and issue management to activist intelligence and covert corporate counterstrategies was Harvard researcher John Gerard Ruggie. “Multi-stakeholder initiatives are particularly cost-effective tool for *generating strategic intelligence* [on social issues]” he wrote. And: “information generated by a CSR program can form a key aspect of the knowledge base for creating an *effective countermeasure to social risk*” (Kytte and Ruggie, 2005: 11; emphasis added) To link CSR to corporate risk management is a fundamental idea that requires *further research* and conceptualisation. What does it mean if we are to understand stakeholder outreach initiatives - such as dialogues or sponsorship - as both a sophisticated PR and CSR exercise *and* an intelligence gathering operation at the same time? Ruggie is of the opinion that “to utilise the knowledge embedded in global networks is a competitive necessity.” (Kytte and Ruggie, 2005: 15) As the UN special representative on the human rights and transnational corporations, Ruggie is a powerful man. He fits Lukes' (1974) concepts of power (explained in the next section) as he can influence decision making, set the agenda and keep potential issues out of politics all together. How much of his outspoken ideas are translated into global guidelines and policies? What are the implications on the local level?

At this point it is evident to conclude that activist intelligence and covert corporate strategy largely overlaps with issue management. Obviously, it is the kind of thing a polite society ignores or stays silent about. The silence might be related to the secret character of intelligence gathering and the subsequent covert operations as discussed before. And it might be affected by the opportunities to generate money by exploiting fear and alleged risks, feeding into a self-sustaining industry.

The avoidance to name issue management for what it signifies a serious reluctance to discuss the nature of corporate strategies in their pursuit of power. The literature overview in my thesis indicates the avoidance occurred within business and consultancy circles, and amongst favourers of CSR and critical scholars alike. It can be considered a serious attempt to keep the issue of the agenda. To recognise issue management as intelligence sustains my intention to claim visibility and acknowledgment for activists' experiences with spying and infiltration.

Future research should include the corporate responsibility of – what until now used to be called – issue management. Is the practice of activist intelligence and covert corporate strategy embedded in the corporate structure – and if yes: how? Or, to put it the other way round: which department is dealing with stakeholder affairs and issue management? And where in the company's hierarchy do they fit in? How is the intelligence gathering component linked to the strategising within a company? As the literature overview indicated, it is also important to know whether covert action is the responsibility of the same people that gathered the intelligence, made the assessments and proposed the counterstrategies. If so, this implies a serious danger that actions get out of hand. Who in the company's hierarchy knows about covert strategies being effectuated? What are the risks; and who is responsible for them?

A related matter for *future research* is the issue of the responsibility for the security of large corporations. The history of the establishment of a Control Risks office in the Netherlands, as outlined in chapter 3, indicates blurring boundaries between public and private in this field. When the authorities such as the police and intelligence services could not provide enough protection, the companies went private. How is this related to the state's responsibility for guaranteeing a smooth climate for economic purposes?

The evidence has shown a great deal of blurring boundaries between public and private spying and the subsequent secret covert operations. There seem to be more similarities than differences. Though their goals may differ depending on their clients' needs, corporate and state intelligence agencies often use the same modes operandi, the same methods of gathering intelligence and of processing intelligence into covert strategies to undermine their opponent. Maybe the notion that state and private intelligence are distinct is a false dichotomy. The state seems uniquely configured to do the bidding of businesses, implementing the framework and regulation that facilitated the new geography of global economic processes – otherwise known as globalisation. (Sassen, 1996: 25) One could argue that state intelligence and private intelligence derive from the same social practice divided into several lines of responsibility. Maybe the 'greyness' is therefore all pervading, rather than a new reality. (Dover, 2008a)

This conclusion calls up a new set of questions for *further research*. What are the analogies between corporate spying and domestic surveillance by government intelligence agencies in relation to tactics, operations and on the level of personnel? And what are the differences, or potential conflicts of interests? Two worlds could collide in case of conflicting interests at a certain point. For instance

in a situation where the old-school secret agents want to cherish their so called 'information position', the reports of spies working for the interests of large corporations might require interferences in the course of action. Where the secret agent would prefer to leave the group in peace and let them continue their activities in order to get to know more, their corporate colleagues could decide to counter a certain campaigns in order to marginalise them. Or vice versa, the roles in this example are chosen at random.

Are the private interests of TNCs endangering the legitimacy of the democratic state? Corporate intelligence threatens the foundations of democracy at various levels. First, the rise of PR and other information industries marks a profound shift of political culture that threatens to disintegrate modern forms of welfare state democracies and its essential function in legitimating social and political processes. PR should be understood as the political activities of corporations (Miller and Dinan, 2003), and more specifically as the means to better anticipate and adapt to societal demands (Baskin, Aronoff and Lattimore, 1997: 416-417) Large corporations have a long tradition in fighting their critics with the help of propaganda and active interference. Habermas was early in 1962 to warn against the refeudalisation of the public sphere. Political decisions are no longer susceptible to revision before the tribunal of public opinion, he said, "it has often enough already been enlisted in the aid of the secret policies of interest groups." (Habermas, 1962: 404) Alex Carey warned against the growth of corporate propaganda as means of protecting corporate power against democracy. "Political rule becomes a matter of social engineering, and the machinery of propaganda and information management becomes all pervasive." (in Robins, Webster and Pickering, 1987: 10) More specifically, the covert actions laid out in this research can be understood as dirty tricks by large corporations in their defence and pursuit of power. (Sklair, 1998: 286) The cases of corporate spying and strategising substantiate worries about the 'engineering of consent.' (Richter, 2001:46) The examples detail the multiple means corporations have at their disposition to manipulate public debates and to exclude the voices of their critics. Furthermore, the corporate counterstrategies are typically concealed and obscured. (Richter, 2001: 146) The case studies display the overpowering intent to keep their covert actions secret, underlining the assertion that public relations is also the art of camouflage and deception. (Kunzlik, 1990: 1)

Why do TNCs try to hide surveillance practices and covert action? The urge for secrecy is rooted in the legitimacy of these practices. Private investigators sometimes act as a form of secret police within private justice systems defined by companies. (Gill and Hart, 245-246) The modern state theoretically derives its legitimacy from democratic accountability, while private companies maintain their own definition of 'internal order.' The danger of private justice systems lies in the facilitation of discretionary power for its enforcement agents greater than their equivalents' in the public system. Sometimes private agents' actions are justified "in terms of management rather than legal authority." (Reiss, 1987, in Gill and Hart, 1999: 257) The most extreme example of private justice in this research is

that of eWatch and NorthWest. The airline used an online monitoring agency to track down employees who expressed support for a strike from their work and home computers, and an accounting company reviewed the evidence. The discovery and investigation were never judged, the accusations never proved, the employees never tried in a court of law. But they got punished anyway—they got fired. In short, business tries to evade or hollow out any legal certainty the state is supposed to provide.

The maintenance of private peace sometimes leads to actions that could be qualified as illegal other than merely 'suspect.' And thus, because - again theoretically - state law constitutes a legitimate threat to illegitimate forms of private peace, illegal covert actions must be conducted in absolute secrecy to avoid discovery. "This domain is the most difficult to monitor and control." (Gill and Hart, 1999: 258)

Future research should discuss the issue of transparency. How one can police the unseen? Some form of licensing, Gill and Hart suggest, a clear mechanism for dealing with complaints, and a law clearly defining the responsibilities for clients. But how realistic would it be that any such measure would be effective? The experiences with parliamentary commissions to monitor state intelligence services in the various European countries are not particularly hopeful; the sessions of such commissions are often not public, the proceedings secret as well. In the Netherlands the meetings are on invitation only for selected Members of Parliament representing only the fourth largest parties. If the praxis of state intelligence is secured and sanctioned by a system of secret contemplation, what can be done about its private counterpart? Nevertheless, the question of how to increase transparency is both crucial and extremely difficult to realise: "given the covert nature of the work, how can any system of regulatory control ensure that the law and ethical standard are respected and observed"? (ibid: 259)

Secrecy rules, so - for the time being - well-sourced exposure and detailed research is the weapon of choice on the road to transparency and accountability. *Future research* should aim for a broad foundation of evidence, and investigate the case studies that surfaced in recent years. Likewise, the history of corporate covert strategies requires more attention. How close have propaganda efforts been related to covert action in the past? Exactly how new is the outsourcing of intelligence work? Request under the Freedom of Information Act could offer additional sources and add new perspectives to ongoing investigations.

The issues discussed in this research fit in the current debate about role that the private security industry should play in modern society. How much of what has traditionally been viewed as the state's responsibility can be transferred to organisations governed by profit? Essentially, this question addresses the increasingly blurred boundaries between public and private and the subsequent field of grey intelligence: how much of what traditionally as been a *public* responsibility can be transferred to *private* organisations, and how much of that can remain *secret*?

Given the increasingly blurring boundaries between *the public* and *the private* and the resulting field of grey intelligence, for *further research* into activist

intelligence and covert corporate strategies it is essential to distinguish a third dimension: *the secret*.

What is the power context in which activist intelligence is produced? And what is the information used for? (Dover, 2007: 19-20) The corporation's control of intelligence served as a guiding tool for action, to shape a response to public protests. Ultimately, as the evidence shows, intelligence is used as a tool of power to develop counterstrategies, often in the field of covert action. In Toffler's theory of the information society, intelligence is a specific form of knowledge and knowledge is used as an instrument of power. (Toffler, 1990: 129) In all of the case studies, the 'knowledge producer' had a structural advantage over the surveyed. Issues of intelligence are an integral part of government, or more specifically in the context of this research, of governance. (Herman, 2001 and Cawthra and Luckham, 2003, both in Gill: 2007, 83)

The corporate covert strategies described in the case studies include examples of each of the tree levels of the exercise of power as defined by Steve Lukes (1974). Corporations try to influence decision making and the setting of the agenda. But most of all, the covert strategies relate to Lukes' three dimensional model that conceptualises power as influencing the setting of the agenda and the shaping of preferences via values and ideologies. The case studies contain various examples of attempts to undermine the critics of TNCs, the effectiveness of their work, their financial base, or their credibility. The aim is not just to keep issues of the agenda, but also to prevent problems from becoming an issue in the first place. Averting a latent concern happens at the cost of the real interest of the people involved. Lukes (1974: 25) called such "the supreme and most insidious exercise of power" and I believe this applies to the intentions behind activist intelligence and corporate strategies too.

Foucault would say that this is about the control of discourse and the disciplining of workers; this can be expanded to campaigners or otherwise potentially critical people and groups. Indeed there is a common link between all the case studies. A dedicated and sometimes small set of critics and campaigners is trying to change the public discourse and often the legislative framework in which the targeted companies are operating. They put the public interest over private interest, and openness over secrecy. Businesses and national economies can potentially be affected by these activities. Organisations and people in structural positions of power can – and will - exert discipline over these people in favour of the ruling discourse, the neo-conservative discourse. The case studies in this research indicate that companies attempt to exert their power using covert strategies. Critical groups can become proportionately less effective as their campaigns are monitored and countered.

Who has the power to set the agenda, or to keep problems out of politics all together? Protest movements and consumer boycotts delegitimised current risky aspects of globalisation in a highly effective way. Analogous to the Marxist 'relations of production' Beck introduced *the relations of definition*: the kind of resources – and the access to them – needed for defining (away) risks in a

socially binding way. To unravel the powers that lie behind conflicts of risk, it is necessary to understand that risks are not things, but “social constructions in which expert knowledge as well as cultural values and symbols play a key role.” (Beck, 2005: 106) Discourse, Foucault would call it. For Beck, the issue of power and legitimacy in the global age centres on the question how the system of organised irresponsibility can be disrupted. It is essential to redistribute and the burden of proof in such a way that corporations are made responsible and liable for the global uncertainty. So far corporations have managed to pass the responsibility on to consumers and the environment. (Beck, 2005: 101) The gathering of intelligence about campaigning groups is an indicator of what the spying corporation considers as a risk, and how that corporation interprets the balances of power. Subsequent *covert corporate strategies* can be understood as attempts to remain in the position to define what is best for the society as a whole.

Future research into activist intelligence could take Beck’s view on the issue of power and legitimacy as a point of departure. How can the system of organised irresponsibility be disrupted? Collectively corporations have succeeded in defining the corporate good as the public good for a very long time. This state of the art is now being challenged. It is in this increasingly global fragility of markets, increasingly threatening investment capital, that the issue of power becomes most urgent to all of those involved.

The concept of ‘relations of definition’ could link the problems discussed in this research. It refers to the issue of political rule becoming a matter of the engineering of consent, of manipulated public debates and the exclusion of critical voices. The relations of definition also relate to the approach of disciplining discourse. The control of discipline (be it discursive or actual) is not exclusively in the hands of the state as a central authority. Foucault could be of use here, because he deliberately avoids making the state the sole object of his study. Indeed, I’m increasingly attracted to Foucault’s accounts of power in social relations. Organisations (corporations!) and people in structural positions of power can exert discipline over discourse and people too. Intelligence could be considered as essentially a disciplining social practice full of normative assumptions and ideological baggage. (Dover, 2008a)

My effort to identify *activist intelligence and corporate covert strategies* as a new field of research includes suggestions for future multidisciplinary research at various levels. At the same time, this work seeks to be a modest contribution to world-making. Mapping corporations under fire and the covert operations they undertake improves the understanding of big business in their pursuit of power. Defining activist intelligence as an aspect of neoliberalism and sharing that information is, I feel, a crucial attempt to empower the activist groups involved. Moreover, identifying these undercurrents of power invokes critical questions about the legitimacy of both the state and the transnational corporation in the age of globalisation.

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