

THE Nation.

Published on *The Nation* (<http://www.thenation.com>)

Blackwater's Black Ops

Jeremy Scahill | September 15, 2010

Over the past several years, entities closely linked to the private security firm Blackwater have provided intelligence, training and security services to US and foreign governments as well as several multinational corporations, including Monsanto, Chevron, the Walt Disney Company, Royal Caribbean Cruise Lines and banking giants Deutsche Bank and Barclays, according to documents obtained by *The Nation*. Blackwater's work for corporations and government agencies was contracted using two companies owned by Blackwater's owner and founder, Erik Prince: Total Intelligence Solutions and the Terrorism Research Center (TRC). Prince is listed as the chairman of both companies in internal company documents, which show how the web of companies functions as a highly coordinated operation. Officials from Total Intelligence, TRC and Blackwater (which now calls itself Xe Services) did not respond to numerous requests for comment for this article.

One of the most incendiary details in the documents is that Blackwater, through Total Intelligence, sought to become the "intel arm" of Monsanto, offering to provide operatives to infiltrate activist groups organizing against the multinational biotech firm.

Governmental recipients of intelligence services and counterterrorism training from Prince's companies include the Kingdom of Jordan, the Canadian military and the Netherlands police, as well as several US military bases, including Fort Bragg, home of the elite Joint Special Operations Command (JSOC), and Fort Huachuca, where military interrogators are trained, according to the documents. In addition, Blackwater worked through the companies for the Defense Intelligence Agency, the Defense Threat Reduction Agency and the US European Command.

On September 3 the *New York Times* reported that Blackwater had "created a web of more than 30 shell companies or subsidiaries in part to obtain millions of dollars in American government contracts after the security company came under intense criticism for reckless conduct in Iraq." The documents obtained by *The Nation* reveal previously unreported details of several such companies and open a rare window into the sensitive intelligence and security operations Blackwater performs for a range of powerful corporations and government agencies. The new evidence also sheds light on the key roles of several former top CIA officials who went on to work for Blackwater.

The coordinator of Blackwater's covert CIA business, former CIA paramilitary officer Enrique "Ric" Prado, set up a global network of foreign operatives, offering their "deniability" as a "big plus" for potential Blackwater customers, according to company documents. The CIA has long used proxy forces to carry out extralegal actions or to shield US government involvement in unsavory operations from scrutiny. In some cases, these "deniable" foreign forces don't even know who they are working for. Prado and Prince built up a network of such foreigners while Blackwater

was at the center of the CIA's assassination program, beginning in 2004. They trained special missions units at one of Prince's properties in Virginia with the intent of hunting terrorism suspects globally, often working with foreign operatives. A former senior CIA official said the benefit of using Blackwater's foreign operatives in CIA operations was that "you wouldn't want to have American fingerprints on it."

While the network was originally established for use in CIA operations, documents show that Prado viewed it as potentially valuable to other government agencies. In an e-mail in October 2007 with the subject line "POSSIBLE OPPORTUNITY IN DEA—READ AND DELETE," Prado wrote to a Total Intelligence executive with a pitch for the Drug Enforcement Administration. That executive was an eighteen-year DEA veteran with extensive government connections who had recently joined the firm. Prado explained that Blackwater had developed "a rapidly growing, worldwide network of folks that can do everything from surveillance to ground truth to disruption operations." He added, "These are all foreign nationals (except for a few cases where US persons are the conduit but no longer 'play' on the street), so deniability is built in and should be a big plus."

The executive wrote back and suggested there "may be an interest" in those services. The executive suggested that "one of the best places to start may be the Special Operations Division, (SOD) which is located in Chantilly, VA," telling Prado the name of the special agent in charge. The SOD is a secretive joint command within the Justice Department, run by the DEA. It serves as the command-and-control center for some of the most sensitive counternarcotics and law enforcement operations conducted by federal forces. The executive also told Prado that US attachés in Mexico; Bogotá, Colombia; and Bangkok, Thailand, would potentially be interested in Prado's network. Whether this network was activated, and for what customers, cannot be confirmed. A former Blackwater employee who worked on the company's CIA program declined to comment on Prado's work for the company, citing its classified status.

In November 2007 officials from Prince's companies developed a pricing structure for security and intelligence services for private companies and wealthy individuals. One official wrote that Prado had the capacity to "develop infrastructures" and "conduct ground-truth and security activities." According to the pricing chart, potential customers could hire Prado and other Blackwater officials to operate in the United States and globally: in Latin America, North Africa, francophone countries, the Middle East, Europe, China, Russia, Japan, and Central and Southeast Asia. A four-man team headed by Prado for countersurveillance in the United States cost \$33,600 weekly, while "safehouses" could be established for \$250,000, plus operational costs. Identical services were offered globally. For \$5,000 a day, clients could hire Prado or former senior CIA officials Cofer Black and Robert Richer for "representation" to national "decision-makers." Before joining Blackwater, Black, a twenty-eight-year CIA veteran, ran the agency's counterterrorism center, while Richer was the agency's deputy director of operations. (Neither Black nor Richer currently works for the company.)

As Blackwater became embroiled in controversy following the Nisour Square massacre, Prado set up his own company, Constellation Consulting Group (CCG), apparently taking some of Blackwater's covert CIA work with him, though he maintained close ties to his former employer. In an e-mail to a Total Intelligence executive in February 2008, Prado wrote that he "recently had major success in developing capabilities in Mali [Africa] that are of extreme interest to our major sponsor and which will soon launch a substantial effort via my small shop." He requested Total Intelligence's help in analyzing the "North Mali/Niger terrorist problem."

In October 2009 Blackwater executives faced a crisis when they could not account for their government-issued Secure Telephone Unit, which is used by the CIA, the National Security

Agency and other military and intelligence services for secure communications. A flurry of e-mails were sent around as personnel from various Blackwater entities tried to locate the device. One former Blackwater official wrote that because he had left the company it was "not really my problem," while another declared, "I have no 'dog in this fight.'" Eventually, Prado stepped in, e-mailing the Blackwater officials to "pass my number" to the "OGA POC," meaning the Other Government Agency (parlance for CIA) Point of Contact.

What relationship Prado's CCG has with the CIA is not known. An early version of his company's website boasted that "CCG professionals have already conducted operations on five continents, and have proven their ability to meet the most demanding client needs" and that the company has the "ability to manage highly-classified contracts." CCG, the site said, "is uniquely positioned to deliver services that no other company can, and can deliver results in the most remote areas with little or no outside support." Among the services advertised were "Intelligence and Counter-Intelligence (human and electronic), Unconventional Military Operations, Counterdrug Operations, Aviation Services, Competitive Intelligence, Denied Area Access...and Paramilitary Training."

The Nation has previously reported on Blackwater's work for the CIA and JSOC in Pakistan. New documents reveal a history of activity relating to Pakistan by Blackwater. Former Pakistani Prime Minister Benazir Bhutto worked with the company when she returned to Pakistan to campaign for the 2008 elections, according to the documents. In October 2007, when media reports emerged that Bhutto had hired "American security," senior Blackwater official Robert Richer wrote to company executives, "We need to watch this carefully from a number of angles. If our name surfaces, the Pakistani press reaction will be very important. How that plays through the Muslim world will also need tracking." Richer wrote that "we should be prepared to [*sic*] a communique from an affiliate of Al-Qaida if our name surfaces (BW). That will impact the security profile." Clearly a word is missing in the e-mail or there is a typo that leaves unclear what Richer meant when he mentioned the Al Qaeda communiqué. Bhutto was assassinated two months later. Blackwater officials subsequently scheduled a meeting with her family representatives in Washington, in January 2008.

Through Total Intelligence and the Terrorism Research Center, Blackwater also did business with a range of multinational corporations. According to internal Total Intelligence communications, biotech giant Monsanto—the world's largest supplier of genetically modified seeds—hired the firm in 2008–09. The relationship between the two companies appears to have been solidified in January 2008 when Total Intelligence chair Cofer Black traveled to Zurich to meet with Kevin Wilson, Monsanto's security manager for global issues.

After the meeting in Zurich, Black sent an e-mail to other Blackwater executives, including to Prince and Prado at their Blackwater e-mail addresses. Black wrote that Wilson "understands that we can span collection from internet, to reach out, to boots on the ground on legit basis protecting the Monsanto [brand] name.... Ahead of the curve info and insight/heads up is what he is looking for." Black added that Total Intelligence "would develop into acting as intel arm of Monsanto." Black also noted that Monsanto was concerned about animal rights activists and that they discussed how Blackwater "could have our person(s) actually join [activist] group(s) legally." Black wrote that initial payments to Total Intelligence would be paid out of Monsanto's "generous protection budget" but would eventually become a line item in the company's annual budget. He estimated the potential payments to Total Intelligence at between \$100,000 and \$500,000. According to documents, Monsanto paid Total Intelligence \$127,000 in 2008 and \$105,000 in 2009.

Reached by telephone and asked about the meeting with Black in Zurich, Monsanto's Wilson initially said, "I'm not going to discuss it with you." In a subsequent e-mail to *The Nation*, Wilson confirmed he met Black in Zurich and that Monsanto hired Total Intelligence in 2008 and worked

with the company until early 2010. He denied that he and Black discussed infiltrating animal rights groups, stating "there was no such discussion." He claimed that Total Intelligence only provided Monsanto "with reports about the activities of groups or individuals that could pose a risk to company personnel or operations around the world which were developed by monitoring local media reports and other publicly available information. The subject matter ranged from information regarding terrorist incidents in Asia or kidnappings in Central America to scanning the content of activist blogs and websites." Wilson asserted that Black told him Total Intelligence was "a completely separate entity from Blackwater."

Monsanto was hardly the only powerful corporation to enlist the services of Blackwater's constellation of companies. The Walt Disney Company hired Total Intelligence and TRC to do a "threat assessment" for potential film shoot locations in Morocco, with former CIA officials Black and Richer reaching out to their former Moroccan intel counterparts for information. The job provided a "good chance to impress Disney," one company executive wrote. How impressed Disney was is not clear; in 2009 the company paid Total Intelligence just \$24,000.

Total Intelligence and TRC also provided intelligence assessments on China to Deutsche Bank. "The Chinese technical counterintelligence threat is one of the highest in the world," a TRC analyst wrote, adding, "Many four and five star hotel rooms and restaurants are live-monitored with both audio and video" by Chinese intelligence. He also said that computers, PDAs and other electronic devices left unattended in hotel rooms could be cloned. Cellphones using the Chinese networks, the analyst wrote, could have their microphones remotely activated, meaning they could operate as permanent listening devices. He concluded that Deutsche Bank reps should "bring no electronic equipment into China." Warning of the use of female Chinese agents, the analyst wrote, "If you don't have women coming onto you all the time at home, then you should be suspicious if they start coming onto you when you arrive in China." For these and other services, the bank paid Total Intelligence \$70,000 in 2009.

TRC also did background checks on Libyan and Saudi businessmen for British banking giant Barclays. In February 2008 a TRC executive e-mailed Prado and Richer revealing that Barclays asked TRC and Total Intelligence for background research on the top executives from the Saudi Binladin Group (SBG) and their potential "associations/connections with the Royal family and connections with Osama bin Laden." In his report, Richer wrote that SBG's chair, Bakr Mohammed bin Laden, "is well and favorably known to both arab and western intelligence service[s]" for cooperating in the hunt for Osama bin Laden. Another SBG executive, Sheikh Saleh bin Laden, is described by Richer as "a very savvy businessman" who is "committed to operating with full transparency to Saudi's security services" and is considered "the most vehement within the extended BL family in terms of criticizing UBL's actions and beliefs."

In August Blackwater and the State Department reached a \$42 million settlement for hundreds of violations of US export control regulations. Among the violations cited was the unauthorized export of technical data to the Canadian military. Meanwhile, Blackwater's dealings with Jordanian officials are the subject of a federal criminal prosecution of five former top Blackwater executives. The Jordanian government paid Total Intelligence more than \$1.6 million in 2009.

Some of the training Blackwater provided to Canadian military forces was in Blackwater/TRC's "Mirror Image" course, where trainees live as a mock Al Qaeda cell in an effort to understand the mindset and culture of insurgents. Company literature describes it as "a classroom and field training program designed to simulate terrorist recruitment, training, techniques and operational tactics." Documents show that in March 2009 Blackwater/TRC spent \$6,500 purchasing local tribal clothing in Afghanistan as well as assorted "propaganda materials—posters, Pakistan Urdu maps, etc." for

Mirror Image, and another \$9,500 on similar materials this past January in Pakistan and Afghanistan.

According to internal documents, in 2009 alone the Canadian military paid Blackwater more than \$1.6 million through TRC. A Canadian military official praised the program in a letter to the center, saying it provided "unique and valid cultural awareness and mission specific deployment training for our soldiers in Afghanistan," adding that it was "a very effective and operationally current training program that is beneficial to our mission."

This past summer Erik Prince put Blackwater up for sale and moved to Abu Dhabi, United Arab Emirates. But he doesn't seem to be leaving the shadowy world of security and intelligence. He says he moved to Abu Dhabi because of its "great proximity to potential opportunities across the entire Middle East, and great logistics," adding that it has "a friendly business climate, low to no taxes, free trade and no out of control trial lawyers or labor unions. It's pro-business and opportunity." It also has no extradition treaty with the United States.

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