Somebody’s listening

...and they don’t give a damn about personal privacy or commercial confidence. Project 415 is a top-secret new global surveillance system. It can tap into a billion calls a year in the UK alone. Inside Duncan Campbell on how spying entered the 21st century...
They’ve got it taped

In the booming surveillance industry they spy on whom they wish, when they wish, protected by barriers of secrecy, fortified by billions of pounds worth of high, high technology. Duncan Campbell reports from the United States on the secret Anglo-American plan for a global electronic spy system for the 21st century capable of listening in to most of us most of the time.

American, British and Allied intelligence agencies are soon to embark on a massive, billion-dollar expansion of their global electronic surveillance system. According to information given recently in secret to the US Congress, the surveillance system will enable the agencies to monitor and analyse civilian communications into the 21st century. Identified for the moment as Project P415, the system will be run by the US National Security Agency (NSA). But the intelligence agencies of many other countries will be closely involved with the new network, including those from Britain, Australia, Germany and Japan—and, surprisingly, the People’s Republic of China.

New satellite stations and monitoring centres are to be built around the world, and a chain of new satellites launched, so that NSA and its British counterpart, the Government Communications Headquarters (GCHQ) at Cheltenham, may keep abreast of the burgeoning international telecommunications traffic.

The largest overseas station in the Project P415 network is the US satellite and communications base at Menwith Hill, near Harrogate in Yorkshire. It is run undercover by the NSA and taps into all Britain’s main national and international communications networks (New Statesman, 7 August 1980). Although high technology stations such as Menwith Hill are primarily intended to monitor international communications, according to US experts their capability can be, and has been, turned inwards on domestic traffic. Menwith Hill, in particular, has been accused by a former employee of gross corruption and the monitoring of domestic calls.

The vast international global eavesdropping network has existed since shortly after the second world war, when the US, Britain, Canada, Australia and New Zealand signed a secret agreement on signals intelligence, or “sigint”. It was anticipated, correctly, that electronic monitoring of communications signals would continue to be the largest and most important form of post-war secret intelligence, as it had been through the war.

Although it is impossible for analysts to listen to all but a small fraction of the billions of telephone calls, and other signals which might contain “significant” information, a network of monitoring stations in Britain and elsewhere is able to tap all international and some domestic communications circuits, and sift out messages which sound interesting. Computers automatically analyse every telex message or data signal, and can also identify calls to, say, a target telephone number in London, no matter from which country they originate.

A secret listening agreement, called UKUSA (UK-USA), assigns parts of the globe to each participating agency. GCHQ at Cheltenham is the co-ordinating centre for Europe, Africa and the Soviet Union (west of the Ural Mountains).
The NSA covers the rest of the Soviet Union and most of the Americas. Australia—where another station in the NSA listening network is located in the outback—co-ordinates the electronic monitoring of the South Pacific, and South East Asia.

With 15,000 staff and a budget of over £500 million a year (even without the planned new Zircon spy satellite), GCHQ is by far the largest part of British intelligence. Successive UK governments have placed high value on its eavesdropping capabilities, whether against Russian military signals or the easier commercial and private civilian targets.

Both the new and existing surveillance systems are highly computerised. They rely on near total interception of international commercial and satellite communications in order to locate the telephone or other messages of target individuals. Last month, a US newspaper, the Cleveland Plain Dealer, revealed that the system had been used to target the telephone calls of a US Senator, Strom Thurmond. The fact that Thurmond, a southern Republican and usually a staunch supporter of the Reagan administration, is said to have been a target has raised fears that the NSA has restored domestic, electronic, surveillance programmes. These were originally exposed and criticised during the Watergate investigations, and their closure ordered by President Carter.

After talking to the NSA, Thurmond later told the Plain Dealer that he did not believe the allegation. But Thurmond, a right-wing Republican, may have been unwilling to rock the boat. Staff members of the Permanent Select Committee on Intelligence said that staff were “digging into it” despite the “stratospheric security classification” of all the systems involved.

The Congressional officials were first told of the Thurmond interception by a former employee of the Lockheed Space and Missiles Corporation, Margaret Newsham, who now lives in Sunnyvale, California. Newsham had originally given separate testimony and filed a lawsuit concerning corruption and misspending on other US government “black” projects. She has worked in the US and Britain for two corporations which manufacture signal intelligence computers, satellites and interception equipment for NSA, Ford Aerospace and Lockheed. Citing a special Executive Order signed by President Reagan, she told me last month that she could not and would not discuss classified information with journalists. But according to Washington sources (and the report in the Plain Dealer) she informed a US Congressman that the Thurmond interception took place at Menwith Hill, and that she personally heard the call and was able to pass on details.

Since then, investigators have subpoenaed other witnesses and asked them to provide the complete plans and manuals of the ECHELON system and related projects. The plans and blueprints are said to show that targeting of US political figures would not occur by accident, but was designed into the system from the start.

While working at Menwith Hill, Newsham is reported to have said that she was able to listen through earphones to telephone calls being monitored at the base. Other conversations that she heard were in Russian. After leaving Menwith Hill, she continued to have access to full details of Menwith Hill operations from a position as software manager for more than a dozen VAX computers at Menwith which operate the ECHELON system.

Newsham refused last month to discuss classified details of her career, except with cleared Congressional officials. But it has been publicly acknowledged that she worked on a large range of so-called “black” US intelligence programmes, whose funds are concealed inside the costs of other defence projects. She was fired from Lockheed four years ago after complaining about the corruption, and sexual harassment.

Lockheed claimed she had been a poor timekeeper, and has denied her charges of corruption on “black” projects. But the many charges she is reported to have made—such as the use of top secret computers for football pools, or to sell a wide range of merchandise from their offices, and deliberate and massive overcharg-
ing and waste by the company—are but small
defence procurement. Newsham’s testimony
Newsham, we have obtained for the first
time a list of the major classified projects in
operation at Menwith Hill. The base currently
has over 1,200 staff, more than two thirds of
them Americans. Other than the ECHELON
computer network, the main projects at Men-
with Hill are code-named SILKWORTH,
MOONPENNY, SIRE, RUNWAY and
STEEPLEBUSH. The station also receives in-
formation from a satellite called BIG BIRD.

Project SILKWORTH is, according to signals
intelligence specialists, the code-name for long-
range radio monitoring from Menwith Hill.
MOONPENNY is a system for monitoring satel-
itle communications; RUNWAY is thought to be
the control network for an eavesdropping satel-
pite called VORTEX, now in orbit over the
Soviet Union. The base earlier controlled a
similar series of satellites called CHALET. The
new STEEPLEBUSH control centre appears
connected with the latest and biggest of the
overhead listening satellites. These are code-
named MAGNUM, according to US intelligence
sources.

BIG BIRD, which is not usually connected
with Menwith Hill, is a low-orbiting photograph-
ic reconnaissance satellite. But inves-
tigators have worked out, from details of the
clearances necessary to know about BIG BIRD,
that this satellite—and indeed, many other
satellites, variously disguised as “weather satel-
lites”—also carry listening equipment. One
such sigint package is said to have been aboard
the doomed space shuttle Challenger, despite
its ostensibly civilian purpose.

Recently published US Department of Defense 1989 budget information has confirmed that the Menwith Hill spy base will be the subject of a major $26 million expansion programme. Information given to Congress in February listed details of plans for a four-year expansion of the main operation building and other facilities at Menwith Hill. Although the testimony referred only to a “classified location”, the base can be identified because of references to STEEPLE-
BUSH. According to this testimony, the new
STEEPLEBUSH II project will cost $15 million
between now and 1993. The expansion is re-
quired to avoid overcrowding and “to support
expanding classified missions”.

During the Watergate affair, it was revealed
that NSA, in collaboration with GCHQ, had
routinely intercepted the international commu-
nications satellites launched by third world coun-
tries such as India and Indonesia. The new
satellite spy bases are at Geraldton in northern
Australia and Blenheim, New Zealand. The simi-
lar British spy base at Morwenstow, near Bude,
Cornwall, has been continuously expanded
throughout the 1980s, including the provision of
massive US analysis computers.

If Margaret Newsham’s testimony is con-
firmed by the ongoing Congressional investiga-
tion, then the NSA has been behaving illegally
under US law—unless it can prove either that
Thurmond’s call was intercepted completely
accidentally, or that the highly patriotic Senator
is actually a foreign spy or terrorist. Moreover
NSA’s international phone tapping operations
from Menwith Hill and at Morwenstow, Corn-
wall, can only be legal in Britain if special war-
rants have been issued by the Secretary of State
to specify that American intelligence agents are
persons to whom information from intercepts
must or should be given. This can not be estab-
lished, since the government has always refused
to publish any details of the targets or recipients
of specific interception warrants.

When the Menwith Hill base was first set up
there was no British law controlling phone tap-
ping, or making unauthorised interception (such
as by foreign intelligence agencies) illegal. Now
there is, and telecommunications interception by the Americans from British territory would
clearly be illegal without the appropriate war-
rant.

When the new Interception of Communica-
tions Act was passed in 1985, however, it was
obviously designed to make special provision for
operations like ECHELON or Project P415 to
trawl all international communications to and
from Britain. A special section of the Act, Sec-
tion 3(2), allows warrants to be issued to inter-
cept any general type of international messages
to or from Britain if this is “in the interests of
national security” or “for the purpose of safe-
guarding the economic well-being of the United
Kingdom”. Such warrants also allow GCHQ to
tap any or all other communications on the same
cables or satellites that may have to be picked up
in order to select out the messages they want.
So whether or not a British government warrant
can legally allow American agents to intercept
private British communications, there is no
doubt that British law as well as British bases
have been designed to encourage rather than
inhibit the booming industry in international tele-
communications surveillance.

Both British and American domestic commu-
nications are also being targeted and intercepted
by the ECHELON network, the US inves-
tigators have been told. The agencies are al-
leged to have collaborated not only on targeting
and interception, but also on the monitoring of
domestic UK communications.

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During the Watergate affair, it was revealed
that NSA, in collaboration with GCHQ, had
taken international communications of prominent anti-Vietnam war leaders
such as Jane Fonda and Dr Benjamin Spock.
Another target was former Black Panther leader Eldridge Cleaver. Then in the late 1970s, it was revealed that President Carter had ordered NSA to stop obtaining “back door” intelligence about US political figures through swapping inte-
ligence data with GCHQ Cheltenham.

Among important stations being developed in the new P415 network, sources indicated, are Bude in Cornwall, mainly run by GCHQ, Bad Aibling in Germany, and two sites in the People’s Republic of China (which are used only for monitoring the USSRF). The western intelligence agencies have not yet resolved the ques-
tion of how to replace the recently upgraded British intelligence listening station at Chung Hom Kok in Hong Kong (which at the moment listens to China itself) when the colony is handed back to China next decade.

In Australia three months ago, New Zealand Defence Minister Bob Tizard revealed that two Australasian interception stations planned for the early 1990s will be targeted on new commu-
nunications satellites launched by third world coun-
tries such as India and Indonesia. The new
satellite spy bases are at Geraldton in northern
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Special teams from GCHQ Cheltenham have
been flown in secretly to a computer centre near San Francisco for training on the special computer systems that carry out domestic and international interception.

The centre near San Francisco has also been
used to train staff from the “Technical Depart-
ment” of the People’s Liberation Army General
Staff, which is the Chinese version of GCHQ.

The Department operates two ultra-secret joint
US-Chinese listening stations in the Xinjiang
Uighur Autonomous Region, close to the Soviet
Siberian border. Allegedly, such surveillance
systems are only used to target Soviet or War-
saw Pact communications signals, and those
suspected of involvement in espionage and ter-
rorism. But those involved in ECHELON have
stressed to Congress that there are no formal
controls over who may be targeted. And I have
been told that junior intelligence staff can feed
target names into the system at all levels,
without any check on their authority to do so.
Witnesses giving evidence to the Congressional
inquiry have discussed whether the Democratic
presidential contender Jesse Jackson was tar-
ged; one source implied that he had been.
Even test engineers from manufacturing compa-
nies are able to listen in on private citizens’
communications, the inquiry was told.

But because of the special Executive Order
signed by President Reagan, US intelligence
operatives who know about such politically sen-
tive operations face jail sentences if they speak
out—despite the constitutional American pro-
tection of freedom of speech and of the press.
And in Britain, as we know, the government is in
the process of tightening the Official Secrets Act
to make the publication of any information from
intelligence officials automatically a crime, even
if the information had already been published, or
had appeared overseas first.