

# “SWIFT” BOATING THE RUSSIAN MAFIA

Remember that GCHQ/MI6 agent, Gareth Williams, who was found dead in a duffel bag last year?

At first, the narrative around his death centered on rumors he had been killed in a weird gay sex game. Amid such sensational reporting, other articles revealed Williams worked closely with the NSA on wiretapping Rashid Rauf, one of the men involved in the 2006 plot to bring down planes with small bottles of liquid. Williams' work with NSA is all the more interesting when you consider American manipulation of that investigation and their subsequent squeamishness about sharing the intercepts.

But now there's a new theory out now (from the Daily Mail, which was early to the now discredited sex crime theory): that Williams was killed by the Russian mafia because he was working on a way to track money laundering.

But now security sources say Williams, who was on secondment to MI6 from the Government's eavesdropping centre GCHQ, was working on equipment that tracked the flow of money from Russia to Europe.

The technology enabled MI6 agents to follow the money trails from bank accounts in Russia to criminal European gangs via internet and wire transfers, said the source.

'He was involved in a very sensitive project with the highest security clearance. He was not an agent doing surveillance, but was very much part of the team, working on the technology side, devising stuff like software,' said the source.

He added: 'A knock-on effect of this technology would be that a number of criminal groups in Russia would be

disrupted.

'Some of these powerful criminal networks have links with, and employ, former KGB agents who can track down people like Williams.'

The rest of the Daily Mail article on this hypes how scary and omnipresent the Russian mafia are.

But money laundering is money laundering. Terrorists do it. Organized crime does it. Spy services do it. Corporations do it (often legally). And banksters do it, among others.

And there doesn't appear to be anything about this description to suggest the Russian mafia would be specifically targeted by the technology. Indeed, the description of their exposure as a "knock-on effect" suggests everything would be targeted (which sort of makes sense; you can't track money laundering unless you track the "legitimate" part of finance that makes it clean).

Which is why I find this latest narrative—with its complete lack of attention on the technology, instead focusing exclusively on the Russian mob—so interesting. Because finding a way to track money laundering, of any sort, would just be a new way to do what US intelligence has already been doing with SWIFT.

You'll recall that SWIFT is the messaging system that tracks international money transfers; our use of it to track terrorist finance was first exposed by James Risen and Eric Lichtblau in 2006. In 2009, the US and EU got in a big squabble over whether the US would continue to have access when the servers moved to Europe. They ultimately signed a deal on access. But in March it became clear we were cheating on that deal—among other things by making all specific search requests orally, thereby bypassing the audit provisions demanded by the Europeans.

I increasingly suspect the furor around the SWIFT disclosures has to do with a concern over

maintaining the perceived sanctity of tax havens even as it becomes clear our government has routinely been accessing money transfer information using nothing more than administrative subpoenas. And I increasingly suspect the ongoing squabble between Europe and the US over SWIFT access has to do with America's asymmetrical access to what has been described as the Rosetta stone of money transfers.

I've become convinced, the response to NYT's reporting on SWIFT was (and remains) so much more intense than even their exposure of the illegal wiretap program. The shell game of international finance only works so long as we sustain the myth that money moves in secret; but of course there *has* to be one place, like SWIFT, where those secrets are revealed. And so, in revealing that the US was using SWIFT to track terror financing, the NYT was also making it clear that there *is* such a window of transparency on a purportedly secret system. And the CIA has, alone among the world's intelligence services, access to it.

There are hints in Lichtblau's book that back my suspicion that revealing SWIFT was so problematic because it reveals monetary transfers aren't as secret as the bankers would like you to think they are. One reason people grew uncomfortable with the program was because "some foreign officials feared that the United States could turn the giant database against them." (234) Others worried that the US might be "delving into corporate trade secrets of overseas companies." (248) And when Alan Greenspan helped persuade SWIFT to continue offering US access to the database, he admitted how dangerous it was.

If the world's financiers were to find out how their sensitive internal data was being used, he acknowledged, it could hurt the stability of the global banking systems. (246)

Now, Lichtblau doesn't describe explicitly what these risks entail, but this all seems to be about letting the CIA see, unfettered, the most valuable secrets in the world, financial secrets. The world's globalized elite has to trust in the secrecy of their banking system, but in fact the CIA (of all entities!) has violated that trust.

It turns out (the LAT reported this contemporaneously with the NYT reporting; I've just now read this in the context of Risen's affidavit to quash his Sterling subpoena) that the CIA once developed a clandestine way to access SWIFT but were persuaded not to use it because doing so would "compromis[e] the integrity of international banking."

CIA operatives trying to track Osama bin Laden's money in the late 1990s figured out clandestine ways to access the SWIFT network. But a former CIA official said Treasury officials blocked the effort because they did not want to anger the banking community.

Historically, "there was always a line of contention" inside the government, said Paul Pillar, former deputy director of the CIA's counterterrorism center. "The Treasury position was placing a high priority on the integrity of the banking system. There was considerable concern from that side about anything that could be seen as compromising the integrity of international banking."

Ah, for the halcyon days when people believed

international banking had any integrity to compromise!

My point, though, is that the US has had the potential capability to track Russian mobsters since SWIFT let us access the databases after 9/11, particularly now that we're making all our specific requests orally. So far as I know, no one has ended up dead in a duffel bag over that access.

Moreover, there would be a great deal of people who would like to prevent the UK from getting their own back door into the global finance system, if that's really the reason Williams was killed. (Note, Williams was also reportedly about to join the UK's cybersecurity team, which might offer other reasons to want him dead.) Sure, the Russian mafia are among that group, but so would be many others with the means to murder a spook.

Now, it may be that this entire new narrative is just as sketchy as the sex crime one was. Or it may be that this is a preemptive attempt to suggest only Russian mobsters have anything to hide.

But I do find this latest narrative mighty intriguing.