

The Cyber-Industrial Complex

A Political Science Thesis Presentation

Connor O'Malley

The Snowden Files

- June of 2013, The Guardian begins posting leaks from the National Security Agency (NSA)
- Leaks contain documents outlining a mass surveillance system being operated by NSA
- Telephony Metadata- not content, # dialed, time, frequency
- PRISM- entire content of electronic communications
 - Direct Access to servers at Microsoft, Yahoo, Google, Facebook, Paltalk, AOL, Skype, Youtube. 282 million communications/year
- Boundless Informant- raw intelligence organizer
 - Total 97 billion global communications in 30 days
- FISA 1978, Patriot Act 215, EO 12333

Snowden

- Source identified as Edward Snowden
- Accumulated files while working at NSA
- Not actual employee “intelligence contractor” for Booz Allen Hamilton
- First job in IC in 2005 at CIA
- 2009 transferred to NSA working for Dell
- 2012 new job at BAH, still at NSA
- Downloaded files throughout 2012

Iron Triangles

- Cooperative political relationships
- Congressional Committee, Administrative Agency, and a Special Interest
- Few members, stable, predictable
- Revolving doors
- Little access
- Can create policy independently



Issue Networks

- Have many members, broad focus, easy access
- When citizens began to participate more in 60s-70s, large issue networks begin to form
- Success with Civil Rights, Environmentalism
- Once the barrier to entry are gone, the Iron Triangle is destabilized and degrades into an Issue Network
- Creates feedback loop, more people get involved, improves access, more people get involved

Cyber-Industrial Complex

- Senate Select Committee on Intelligence
 - 15 members, 8 majority, 7 minority
 - Reps from Foreign Relations, Armed Services, Judiciary, Appropriations
- National Security Agency, Central Intelligence Agency, Defense Intelligence Agency, Office of the Director of Intelligence, National Reconnaissance Office
- AT&T, BAE, Booz Allen Hamilton, Boeing, General Dynamics, Lockheed, Northrop, Raytheon, Verizon
- Senators need campaign funding/pork, agencies need intelligence, contractors need contracts

Revolving Doors

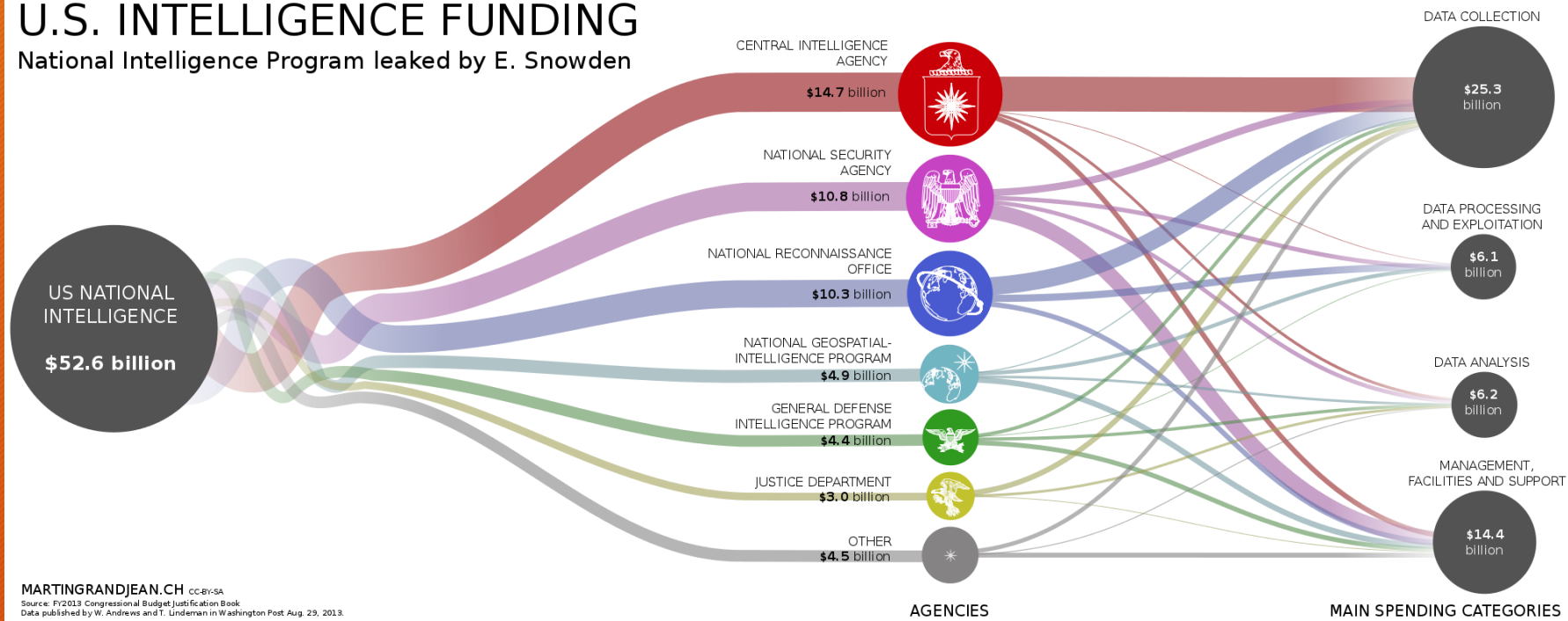
- Mike McConnell, the Executive VP of BAH's National Security branch, was the Dir. Of NSA under President H.W. Bush, and the Director of National Intelligence under President G.W. Bush.
- James Clapper, Director of NSA, previous BAH executive.
- Richard Kerr, FMR Dep. Dir. CIA, BAE executive
- Gen. Kenneth Monihan FMR Dir. Of NSA, BAE executive
- Michael Hayden, FMR Dir. Of NSA, Executive at Chertoff group, intelligence consultancy firm.

Privatization

- Began after Cold War ended in attempt to downsize
- Accelerated after 9/11 to accommodate demand
- Presently, as much of 70% of the intelligence budget goes to private sector
- 480,000 private contractors with “top secret” clearance or better
- Over 2,000 companies contract with federal government
 - Everything from janitorial services, spying, blackwater
- Operation Groundbreaker, BAH privatization initiative
- Contractors involved in collection, analysis, production of reports

The Budget Visualized

U.S. INTELLIGENCE FUNDING National Intelligence Program leaked by E. Snowden



MARTINGRANDJEAN.CH CC-BY-SA
Source: FY2013 Congressional Budget Justification Book
Data published by W. Andrews and T. Lindeman in Washington Post Aug. 29, 2013.

My Research

- RQ: Does the amount of money a Senator receives from contractors change the way they vote?
- Hypothesis: The more money a senator receives from intelligence contractors, the more likely they are to be in favor of surveillance
- Variables: Senate roll call votes, cloture motions, amendments, campaign donations, defense spending per state, defense employees per state

Surveillance Index

- H.R. 2048 USA FREEDOM ACT to reform bulk collection
 - Cloture motion
 - McConnell Amendments meant to keep it the same
- S. 1357
 - Extend the authority relating to roving surveillance
 - McConnell again
- S. 754 Cyber Information Sharing Act
 - Immunity for companies that give data to the government
- Democrat Mean: .93
- Republican Mean: 5.49
- Total: 3.27

Contributions Index

- Total each candidate received from AT&T, BAE, Booz Allen Hamilton, Boeing, General Dynamics, Lockheed, Northrop, Raytheon, Verizon
- Only four Senators received 0 dollars
- Most was Richard Shelby AL at \$380,000
- Democrat mean: \$103,337
- Republican mean: \$115,483
- Independent mean: \$46,100
- Total: \$108,630

Correlations

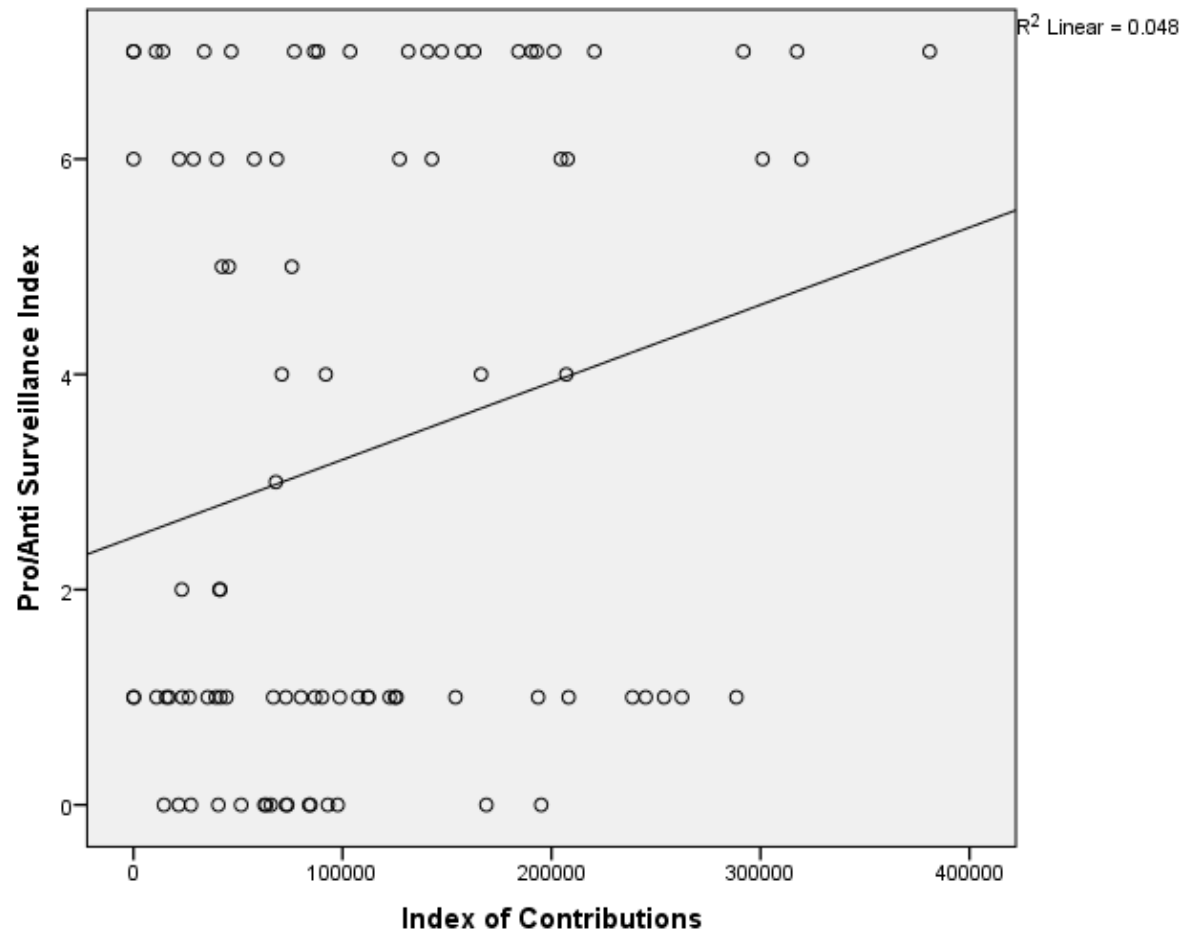
	Surveillance Index	Contributions Index	Party 0,1	Defense Spend	Personnel
Surveillance Index	1	R=.220* Sig=.034	R=.793** Sig=.000	R=-.041 Sig=.695	R=.074 Sig=.480
Contributions Index	R=.2208 Sig= .034	1	R=.070 Sig=.492	R=.171 Sig=.089	R=.192 Sig=.056
Party 0,1	R=.7938 Sig=.000	R=.070 Sig=.492	1	R=-.136 Sig=.183	R=-.010 Sig=.920
Defense Spend	R=-.041 Sig=.695	R=.171 Sig=.089	R=-.136 Sig=.183	1	R=.783** Sig=.000
Personnel	R=.074 Sig=.074	R=.192 Sig=.056	R=-.010 Sig=.920	R=.783** Sig=.000	1

Regression

- Surveillance Index=Y= (Party) + (Contributions Index) + (Defense Spend) + (Personnel)

	B	Std. Error	t	p
Constant	.303	.381	.795	.429
Party_dum	4.516	.376	12.007	.000
Contribution Index	.000004	.000	1.946	.055
Defense Spending	.0000000000006	.000	.179	.858
Personnel	.000003	.000	.510	.612

Scatterplot



- Clusters at the top and bottom show party polarization
- $R^2 = .405$
 - Variables explain almost half the variation in Surveillance index scores
- Party is much more decisive but contributions do play a small part

Conclusions

- Contributions play a role, party is much more indicative of privacy vs surveillance stance
- IC has characteristics of both Iron Triangles and Issue Networks
- While in secret it is an Iron Triangle
 - Very little access, independent policy making
- After the leaks, the involvement of public and press destabilize the Triangle and forms an Issue Network

Works Cited

- Center for Responsive Politics. (2016). *Politicians and Elections*. Retrieved from Open Secrets: www.opensecrets.org/elections/
- De, R. (2014). The NSA and Accountability in an Era of Big Data. *Journal of National Security Law & Policy*, 7(2), 301-310.
- Eisenhower, D. D. (1961, January 17). *Farewell Address to the Nation*. Retrieved December 4, 2015, from Eisenhower Presidential Library : eisenhower.archives.gov
- Electronic Frontier Foundation. (2013). *How the NSA's Domestic Spying Program Works*. Retrieved from Electronic Frontier Foundation: <https://www.eff.org/nsa-spying/how-it-works>
- Ellis, W. W. (2010). Us Intelligence at the Crossroads. *Mediterranean Quarterly*, 21(2), 1-11.
- Erwin, C. (2013). NSA Surveillance Leaks: Background and Issues for Congress. *Current Politics and Economics of the US, Canada, Mexico*, 15(2), 139-159.
- Fang, L. (2015, 4 9). *Lobbyists for Spies Appointed to Oversee Spying*. Retrieved from The Intercept: www.theintercept.com/2015/04/09/lobbyists-for-spies-appointed-to-oversee-spying
- Federal Judicial Center. (n.d.). *History of the Foreign Intelligence Surveillance Court*. Retrieved from Federal Judicial Center: [Fjc.gov](http://fjc.gov)
- Gais, P. W. (1984, April). Interest Groups, Iron Triangles and Representative Institutions in American National Government. *British Journal of Political Science*, 14(2), 161-185.
- Ginsberg, L. W. (2013). *We The People*. New York: W.W. Norton Company.
- Ginsberg, L. W. (2013). *We The People*. New York: W.W. Norton Company.
- Goldman, R. (2013, June 10). *The Secret History of NSA Contractors*. Retrieved from ABC News.
- Greenwald, G. (2014). *No Place To Hide*. New York, NY: Henry Holt and Company.
- Greenwald, G., & MacAskill, E. (2013, June 11). *Boundless Informant: the NSA's secret tool to track global surveillance data*. Retrieved from The Guardian: <http://www.theguardian.com/world/2013/jun/08/nsa-boundless-informant-global-datamining>
- Halchin, E. (2015). *The Intelligence Community and its Use of Contractors: Congressional Oversight Issues*. Congressional Research Service. District of Columbia: Federation of American Scientists.
- Hayden, F. G. (2002). Policymaking Network of the Iron Triangle Subgovernment for Licensing of Hazardous Waste. *Journal of Economic Issues*, 36(2), 477-484.
- Hecl, H. (1978). Issue Networks and the Executive Establishment. In A. K. Samuel Beer, *The New American Political System*. District of Columbia: American Enterprise Institute for Public Policy.
- Jerry Brito, T. W. (2011). Loving the Cyber Bomb? The Dangers of Threat Inflation in Cyber Security Policy. *Harvard National Security Journal*, 3.
- John Foster, R. M. (2014, Aug). Surveillance Capitalism: Monopoly, Finance Capital, the Military Industrial Complex, and the Digital Age. *Monthly Review*, 66(3), 1-31.
- Jordan, A. G. (1981). Iron Triangles, Woolly Corporatism, and Elastic Net: Images of Policy Process. *Journal of Public Policy*, 95-123.
- Kelly, E. (2015, June 2). *Senate Approves USA Freedom Act*. Retrieved from USA Today: <http://www.usatoday.com/story/news/politics/2015/06/02/patriot-act-usa-freedom-act-senate-vote/28345747/>
- Landau, S. (2013, August). Making Sense from Snowden. *IEEE Security and Privacy*, 56-62.
- Levinson, R., Shah, S., & Connor, P. (2011). *Impact of Defense Spending in State-by-State Analysis*. Bloomberg Government. Bloomberg L.P.
- Liu, E. (2014). Overview of Constitutional Challenges to NSA Collection Activities and Recent Developments. *Current politics of Economics in the United States, Canada, Mexico*, 69-81.
- Markusen, A. R. (2003, October). The Case Against Privatizing National Security. *Governance: An International Journal of Policy, Administration, and Institutions*, 16(4), 471-501.
- McDougall, P. (2005, 11 15). *Virginia Taps Northrop Grumman for \$2 Billion IT Overhaul*. Retrieved from informationweek.com: [http://www.informationweek.com/virginia-taps-northrop-grumman-for-\\$2-billion-it-overhaul/d/d-id/1037969?](http://www.informationweek.com/virginia-taps-northrop-grumman-for-$2-billion-it-overhaul/d/d-id/1037969?)
- Northrop Grumman. (2016). *About Northrop Grumman*. Retrieved from NorthropGrumman.com: <http://www.northropgrumman.com/aboutus/Pages/default.aspx>
- Peterson, A. (2013, December 31). *Here's what we learned about the NSA's spying programs in 2013*. Retrieved from The Washington Post: <https://www.washingtonpost.com/news/the-switch/wp/2013/12/31/heres-what-we-learned-about-the-nasas-spying-p>
- Ray, M. (2015, 10 22). *Edward Snowden*. Retrieved from Encyclopedia Britannica: britannica.com
- Shorrock, T. (2008). *Spies for Hire: The Secret World of Intelligence Outsourcing* (Vol. 1). New York, NY: Simon and Schuster Inc.
- Shorrock, T. (2009, November 16). Spies for Hire: Who's Who in Intelligence Contractors. New York: spiesforhire.org.
- The Editors of Encyclopedia Britannica. (2015, 7 3). *National Security Agency*. Retrieved from Encyclopedia Britannica: britannica.com
- The Washington Post. (2011). *Companies* . Retrieved from Top Secret America.
- Thomas Gais, M. P. (1984). Interest Groups, Iron Triangles, and Representative Institutions. *British Journal of Political Science*, 14(2), 161-185.
- Tien, L. (2015, June 2). *EFF Opposes Amendments that Weaken USA Freedom Act*. Retrieved from Electronic Frontier Foundation: <https://www.eff.org/deeplinks/2015/06/eff-opposes-amendments-weakening-usa-freedom-act>
- U.S. Senate Select Committee on Intelligence. (2016). *About the Committee*. Retrieved from U.S. Senate Select Committee on Intelligence: www.intelligence.senate.gov/about
- Yoo, J. (2014). The Legality of the National Security Agency's Bulk Data Surveillance Programs. *Harvard Journal of Law and Public Policy*, 901-930.