

Yahoo's Innocent Victim Narrative

Corporate Executives Couldn't Care Less about Civil Liberties

By **Bill Blunden**, September 12, 2014

The *Washington Post* reports that in 2008 the government threatened to fine Yahoo \$250,000 a day if it failed to relinquish user data on behalf of the NSA's PRISM program. Yahoo's general counselor Ron Bell claims that the recently disclosed lawsuit is proof that the company fought the government "every step of the way."¹ In this sense the *Post's* article depicts Yahoo as a champion of human rights, fighting courageously to protect user data from government surveillance.

This impression conflicts sharply with Yahoo's behavior in China. Human Rights groups note that Yahoo has worked closely with the Chinese government to identify political dissidents, dissidents who were imprisoned and tortured. Yahoo initially denied that it collaborated with the Chinese government though the truth eventually came out in court². A Yahoo spokesman offered a token apology stating that "companies doing business in China are forced to comply with Chinese law³."

Does this sound oddly familiar? Recall how Google's public relations team responded when news of their involvement in the NSA's PRISM program became public knowledge:

"Google cares deeply about the security of our users' data. We disclose user data to government in accordance with the law, and we review all such requests carefully"

It's not a matter of civil liberties, then, it's a matter of obeying the law. Internet companies like Yahoo exist to turn a profit. Even in police states like China⁴, a country where spreading rumors can lead to a jail sentence⁵. In the C-suite offices at Yahoo's headquarters the opportunity to cash in on emerging markets is too great to let something pesky like concerns over basic human rights get in the way. Don't be misled by public relations talking points or obligatory gestures of resistance. Watch what executives do at the end of the day. They obey the law. If Yahoo had been serious with regard to taking a genuine ideological stance against government surveillance they would've pulled a Lavabit⁶.

On a side note, the perception of a \$250,000 per day fine as a gun to Yahoo's head also seems overblown. Corporate interests like JPMorgan shrug off \$13 billion fines like a duck shedding water⁷. In this sense fines are often viewed as a cost of doing business and it's gotten to the point where Wall Street doesn't so much as cast a passing glance at anything less than a hundred million. The mere threat of a fine gave Yahoo's leadership ample opportunity to choose what they valued more: user privacy or quarterly income.

Faced with fines the executives made their choice.

Don't forget that large multinationals like Yahoo are also spies. Yahoo collects and sells user data as a central part of its business model, feeding a \$200 billion data aggregation industry that dwarfs the NSA and its security service brethren⁸. The more data Yahoo sells, the more money the company makes, and so there's a fundamental drive to collect as much information as possible to the point of doing away

with any regulation that controls what companies can collect⁹. Never mind that such data silos become attractive targets for government spies.

Ultimately government spies and corporate spies converge in the corridors of the Deep State¹⁰. It's an arrangement that results from shared class interest. The corporate elite have largely achieved state capture. Hence they're able to frame the terms of public debate and impose policy agendas. Such that what's evolved over the years is no accident. No sir. The global panopticon, as former CIA officer Philip Agee would say, is a "logical, necessary manifestations of a ruling class's determination to retain power and privilege¹¹." A message repeated by Ed Snowden who stated, in an open letter to Brazil, that "these programs were never about terrorism: they're about economic spying, social control, and diplomatic manipulation. They're about power¹²."

Bill Blunden is an independent investigator whose current areas of inquiry include information security, anti-forensics, and institutional analysis. He is the author of several books, including *The Rootkit Arsenal* and *Behold a Pale Farce: Cyberwar, Threat Inflation, and the Malware-Industrial Complex*. Bill is the lead investigator at Below Gotham Labs.

End Notes

¹ Craig Timberg, "[U.S. threatened massive fine to force Yahoo to release data](#)," *Washington Post*, September 11, 2014.

² Ewen MacAskill, "[Yahoo forced to apologise to Chinese dissidents over crackdown on journalists](#)," *Guardian*, November 13, 2007.

³ Miguel Helft, "[Chinese Political Prisoner Sues in U.S. Court, Saying Yahoo Helped Identify Dissidents](#)," *New York Times*, April 19, 2007.

⁴ Murong Xuecun, "[Inside a Beijing Interrogation Room](#)," *New York Times*, July 17, 2014.

⁵ Brian Fung, "[Beijing's ban on Internet rumors threatens free speech. And some in China aren't afraid to say it.](#)," *Washington Post*, September 11, 2013.

⁶ Specner Ackerman, "[Lavabit email service abruptly shut down citing government interference](#)," *Guardian*, August 9, 2013.

⁷ Felix Solomon, "[The Invincible JP Morgan](#)," *Reuters*, January 8, 2014.

⁸ Bill Blunden, "[The NSA's Corporate Collaborators](#)," *Counterpunch*, May 9-11, 2014.

⁹ Chris Jay Hoofnagle, "[The Potemkinism of Privacy Pragmatism](#)," *Slate*, September 2, 2014.

¹⁰ Bill Blunden, "[The Zero-Sum Game of Perpetual War](#)," *Counterpunch*, September 2, 2014.

¹¹ Philip Agee, *Inside the Company: CIA Diary*, Farrar Straus & Giroux, 1975, page 596.

¹² "[Snowden's open letter to Brazil: Read the text](#)," *Washington Post*, December 17, 2013.