Spying on Brazilian oil company Petrobras exposed

Bill Van Auken 13 September 2013

Top secret documents released by ex-National Security Agency contractor Edward Snowden have exposed the agency's spying on Brazil's state-owned Petrobras, the fourth largest oil company in the world.

The documents, first reported on "Fantastico," a weekly news program of the Brazilian television network O Globo, follow by barely a week earlier revelations that the NSA had systematically spied on the electronic communications of President Dilma Rousseff and her aides, including monitoring her emails, text messages, phone calls and all sites the Brazilian head of state visited on the Internet.

The television report included slides prepared by the NSA for training its personnel in spying on private computer networks. In addition to Petrobras, Google, the French Foreign Ministry and SWIFT, the international banking cooperative that handles cross-border transactions, were listed among networks the agency had tapped into.

The documents obtained by O Globo referred to the method used in these operations as "the man in the middle," with data intercepted and diverted to the NSA and then sent on to the intended destination, with the targeted entities none the wiser.

The report, prepared in collaboration with the American journalist Glen Greenwald, who resides in Rio de Janeiro, debunked claims by the NSA that the agency does not carry out "economic espionage." It also exposed as lies President Barack Obama's empty assurances given just last week that in the agency's vast international electronic spying operations the "focus is on counterterrorism, weapons of mass destruction, cybersecurity—core national interest of the United States."

The continuing revelations of espionage against the Brazilian government and now its largest corporation have touched a raw nerve in a country that saw massive domestic spying and brutal repression for nearly two decades following a CIA-backed military coup in 1964.

Rousseff had met with Obama last week at the St. Petersburg summit of the G20 to discuss the revelations of the spying on her office, and the US president promised to investigate the espionage and give her a full explanation.

It is evident that Rousseff, who, like her predecessor Luiz Inacio Lula da Silva, was elected as the candidate of the Workers Party (PT) and has sought to maintain close economic and political ties with the US, wanted the issue to go away. Now, however, the Petrobras revelations have touched on fundamental economic interests of Brazil's capitalist ruling class.

"If the facts reported by the press are confirmed, it will be evident that the motive for the spying attempts is not security or the war on terrorism but strategic economic interests," Rousseff said in a statement Monday. Her planned trip to Washington next month has been placed in doubt.

A statement issued by the Brazilian government termed US spying "offensive to human rights, our sovereignty and our economic interests," while insisting that "Petrobras does not represent a threat to the security of any country."

There has been speculation in the Brazilian media that the spying on Petrobras is directed at uncovering information on the planned exploitation of the so-called pre-salt oil deposits discovered over the last six years below the Atlantic seabed of Brazil's southeast coast. It is estimated that over 50 billion barrels of oil lie beneath 6,600 feet of water and another 16,500 feet of sand, rock and salt. This constitutes the largest recent discovery of new petroleum reserves in the world.

In addition to issues of drilling technology involved

in the expensive process of extracting the oil, there is also the commercial question of which companies' bids will win in an auction for exploitation rights in the vast Libra field, set for October 21.

Demonstrations have been held against the auctioning off of exploitation rights, which are seen as a move toward privatization of the Brazilian state oil company. In the wake of the NSA revelations, there were calls for US energy conglomerates to be excluded from the bidding, but Petrobras officials insisted that this was not possible under the terms of the auction.

There is another motive for NSA spying on Petrobras. Just as US imperialism has conducted a series of wars in Afghanistan, Iraq, Libya and now Syria for the purpose of imposing US hegemony over the oil-rich regions of the Middle East and Central Asia, so too, the extensive new energy reserves discovered off Brazil's coast may become a target to be pursued in the future by military aggression.

The Brazilian Senate has formed a commission to conduct hearings on the US spying. The first witnesses to begin testifying next week will be Greenwald and his Brazilian partner, David Miranda, who was held prisoner and threatened for nearly nine hours at London's Heathrow airport last month, having his laptop, cell phone camera and other personal items seized, before being allowed to return to Brazil. The detention, carried out under Britain's Terrorism Act, had the sole purpose of intimidating those revealing the crimes of the NSA and other intelligence agencies.

Brazilian ministers of justice, defense, foreign relations, security and communications will also testify, and plans have been announced to send a delegation to Russia to interview Edward Snowden.



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