

## How the US and Germany Fooled the World for Decades

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The American and German intelligence communities used Crypto AG, a Swiss company that made encryption tools, to spy on more than 100 countries. Intelligence gathered through this joint operation is said to have influenced the Israel-Egypt peace talks, the Falklands War, and the Iran-Iraq war, among others

Recently uncovered information indicates that the American NSA and the BND (the German foreign intelligence service) have been cooperating since the 1970s, and have conducted joint intelligence gathering operations for decades, collecting information about more than 100 different countries. The cooperative operation was given the codename “Rubikon” and is considered one of the largest of its kind in history.

Rubikon involved such activities as remote penetration of radio communications, of landlines, and more recently - of cellular phones. It included tracing phones and listening in on calls. The targets included politicians, senior government officials, members of the military and ambassadors.

The NSA-BND cooperation began with a joint investment in a company called Crypto AG, which is registered in Lichtenstein and operated in Switzerland. It was founded by Boris Hagelin – an Azerbaijan-born businessman and inventor of encryption machines. Following the rise of communism, Hagelin and his wife fled the Soviet Union to Norway. When the German military invaded and occupied Norway in 1940, Hagelin and his wife fled to the United States.

During World War 2, a Hagelin-designed model of an encryption machine was used widely by the US military. More than 140,000 units were manufactured before the war ended. Hagelin made a large sum money from these machines, and after the war moved to Switzerland, where he founded the company Crypto in 1951. Fearing that their encryption methods could fall into the hands of foreign governments, the US paid Crypto a fortune over the years in order to preserve exclusive rights to Crypto’s unique capabilities.

Starting in the 1970s, US and West German intelligence decide do start actively encouraging the sale of Crypto products to government bodies around the world, and using this as a method of intelligence gathering. The company's location was a big asset to the joint operation, due to Switzerland's reputation as neutral ground in international conflicts.

Crypto, funded by the US and West Germany, employed hundreds of engineers. The company developed phone encryption systems to government bodies around the world, as well as to non-governmental clients. According to estimates, since 1970 Crypto supplied more than 30,000 systems to about 130 countries. Classified documents that have recently been uncovered show that Swiss intelligence agencies were aware of the US-German operation, and even supported it in order to preserve state relations with the two countries.

Each system supplied to non-German and non-US clients had a back door to it that allowed the two countries' intelligence services access. Among the countries spied on using these systems were India, Pakistan, Saudi Arabia, Egypt, Argentina, Brazil, Spain, Portugal, Italy, Turkey, Iraq, Iran, Syria, Lebanon, Oman, Kuwait Qatar, Thailand, Malaysia, Mauritius, Indonesia, Japan, Bangladesh, Myanmar, The Philippines, Chile, Mexico, Nigeria, Tunisia, Tanzania, Ethiopia, Libya, and Morocco. It is not yet known whether Israel was on the list.

According to estimates by German experts, about half of the intelligence produced by German and US agencies in the past few decades involved Crypto. The company's encryption systems played a significant role in the Israel-Egypt peace process in 1979; in the negotiations to free US hostages in 1981; and in the US invasion of Panama in 1989.

Argentina's use of Crypto's encryption tools allowed the US to tap its navy and air force communications during the 1982 Falklands War. The information gathered by the Americans contributed significantly to the British victory over Argentina.

During the 1980s and 1990s, Iran was one of Crypto's major customers. The intelligence gathered by the US on Iran through Crypto's systems greatly aided the US and Iraq during the Iran-Iraq war. Even after the war ended, Iran continued to use Crypto's products for several decades – and the US surely benefited from quality intelligence as a result.

For unknown reasons, Germany stopped participating in Rubikon in 1993. The US kept it going until at least 2018. In 2018, Crypto was sold to Andreas Linde, one of the wealthiest people in Switzerland. Linde changed the company's name to CyOne Security, and had the company announce that it was not owned by any intelligence organization or operating in the service of one. In December 2019 the Swiss trade authority decided to suspend the company's export license until June 2020, and conduct a thorough investigation of its activities – and its work with foreign intelligence bodies – in the meantime.

