



**ÆGIS** e-journal

***Addressing threats that affect your bottom line***

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## **1. Due Diligence — Using cultural anthropologists in business deals**

Many years ago this editor's father, Yellow Fox, was involved in setting up a potential business arrangement with the Navajo. Recognizing that the Navajo were different from the Hopi, he wanted to eliminate some of the problems that might occur because of either cultural misunderstandings or cultural misperceptions. He therefore hired a cultural anthropologist from NYU, who specialized in the Navajo, to be on the team.

Now, if there are potential cultural differences that have to be taken into account when dealing with the Navajo, a quintessentially American group, imagine what it is like for an American company dealing with people outside of the United States! Because of this early experience, we ourselves often recommend that a cultural anthropologist be brought in as part of the team in any major business transaction in a foreign country. The truth is that we are frequently in places where the people look like us, seem to behave like us, but aren't, by even the wildest stretch of the imagination, actually like us. The thinking is different, the expectations are different, the behavior is different, and the more involved we are, the more glaring these differences become. Also, the more we as foreigners insist upon dealing from our cultural background and not at least recognizing the differences, we set ourselves up for failure to those who are sensitive and inclusive.

When you are dealing with clearly different cultures, the problems are even greater. When the people with whom you are dealing don't look like you, don't speak your language, and don't even eat the same food, it is a safe guess that the patterns of behavior and the thought processes are very different. In some cases the differences are easily understood. One soon learns that when meeting with the Japanese the word "yes" might mean, "Yes, we hear you," rather than "Yes, we agree." It is because of this that in those areas where we work, we have people on the ground who speak the language, understand the culture, and know the meaning of what people say.

If you are doing business somewhere new, and where there is a cultural difference, you need to be sure that you are being given a clear interpretation of what is actually happening. This might not be necessary if you are an American company dealing with Canada [keeping Quebec in mind], but it certainly becomes critical when you move outside of Western Europe.

In some cases merely dealing with people who have experience in the area is enough. In other cases that is not enough. If you are making a capital investment in any foreign location where the labor or raw materials are

cheap enough to make it worthwhile, it is a safe guess that at some point a cultural anthropologist should be making an appearance on your team.

## **2. OPSEC, Economic Espionage, and Competitive Intelligence — Should large corporations care about OPSEC?**

We at **The LUBRINCO Group** tend to start our associations with new clients fairly high up the food chain of large international corporations, often, because of the risks associated with the reason we were brought in, with the CEO or someone fairly close to that level. One of the things we are often asked, before being shuttled off to see the executive with whom we will actually be working, is “Why should we care about OPSEC?”

As with due diligence, there are two possible reasons. The first is either to prevent a problem or to solve a problem, depending on whether there has or has not been an event. This eventually comes down to saving money at the operational, rather than the executive, level. Oddly, this is *generally* true even if the problems are caused at the executive level, because the profits and losses come from profit centers, not cost centers. The exception to this is where the information leak could put an executive in harm’s way.

The second reason is to reduce the annoyance involved in dealing with the liability involved in a failure to exercise due diligence. Thus, if plans, formulas, or other types of sensitive information cause harm to the company that could have been avoided, there might be a shareholder suit.

As always, avoiding a problem is better than cleaning up after an event. The cost to American business from information loss is in the \$300,000,000,000 a year range, with most of it coming from companies that make fairly ordinary products – labels, hair care products, and other items that may not seem to be reasonable targets for spies.

If you do business you are a target. If you do business internationally you are an international target. And that’s why you should care!

## **3. Executive Protection — Shifting mores, sexual harassment, insults, and knowing when to change**

Our first experience with the shifting relationship between men and women was just before the publication of *The Seven Steps to Personal Safety* (You can download a copy free at <http://www.lubrinco.com/>). The book had been sent to a professor at a Midwestern university, who passed it on to someone in the Women’s Studies department. This person wrote a scathing critique which started by stating categorically that the book was worthless because it

quoted no women as primary sources, and went on from there, including making a number of suggestions which we considered to be more related to political correctness than substance. Some years later, after giving a seminar at a university in the DC area, a woman came up and introduced herself. When we didn't recognize the name, she said that she was the one who had written the critique.

We apologized for not recognizing her, and explained that we hadn't noticed her horns, tail, or cloven hooves. She apologized for having written the original letter, which she said was unwarranted, and noted with some astonishment that, in spite of the hostile tone of her missive, we had apparently included most of her suggestions. We explained that we were not willing to put people at risk by having them refuse to read the book due to issues not related to the subject, and so chose to be a little more sensitive to the perceptions of others. She was delighted, both at our changes and our lack of rancor, and went on to recommend the book.

This was brought to mind recently in a sexual harassment case in which several women in a club filed complaints against one of the male members. The case was interesting in that the man, an actor, singer, and artist, came from a milieu in which being touchy-feely was the norm, and hadn't done anything that seemed, to him, to be untoward. Several women didn't agree.

As frequently happens, all the women wanted was for him to say "I'm sorry if anything I did inadvertently offended you or caused you any distress, and I'll be more careful in the future." The women didn't need a confession of guilt, or punishment for his sins. They just needed recognition that there was, from *their* perspective, a problem, and some assurance that it would stop. As of the time of this writing, the situation was fairly ugly (the usual denials, blaming of the victims, countercharges, *ad nauseum*), largely because there was no recognition that the women on the receiving end might have considered his behavior inappropriate.

Along similar lines, some time ago we were with a driver who inadvertently blocked the road while parking. Eventually enough space was made so that an angry driver could pull next to us and hurl an insult. We rolled down the window to say, "Sorry, we didn't realize that we were blocking traffic," which would have made the problem go away. But before we could say anything, the driver of the car we were in shouted his own insults back. It was only the flow of traffic that prevented the two of them from leaving the safety of their cars and slugging it out.

It is always better to avoid causing bad situations. If you can't avoid them, you should at least try to end them without things getting out of hand, and without leaving all the participants upset and hostile. Frequently a simple apology, or quasi-apology will do. As an example, someone we know was in a cowboy bar out west, and was looking at a very attractive woman. The woman's large boyfriend noticed, marched over, and said "Are you looking at my woman?" While this editor would have probably said, "Yes, she's really beautiful, and you are very lucky to be with her," the actual participant said, "No, I was looking at you." Slightly flummoxed, the thus-complimented bruiser turned and walked away. Google-eyes prudently left the bar.

However you resolve minor conflicts, it is better to resolve them before they become major conflicts.

#### **4. Technical Issues —MailWasher Pro Version 3.0**

We don't generally re-discuss products we have reviewed. But the release of the commercial version of *MailWasher*, which can be found at <http://www.firetrust.com/> warrants a mention. If you get e-mail, and are disturbed by spam, MailWasher will be your new best friend.

As before, MailWasher allows you to view e-mail headers on the server (which is faster than actually downloading the e-mail), to mark users as friends or put them onto a blacklist, to identify email with viruses attached, to "bounce" e-mail so it appears to the sender that your address is incorrect, and to create simple filters to move spammers to your blacklist.

As before, you have the option of responding to spam manually, or automating the procedure so that e-mail from those on the blacklist are bounced and deleted without your even seeing that the e-mail was sent to you. We recommend doing it manually, partly to make sure you haven't stuck a friend on the blacklist by mistake, and partly for the satisfaction of watching it being bounced and deleted.

As you would expect of a commercial package, the cosmetics have been improved, plus a technical problem relating to inappropriately terminated headers appears to have been fixed – at least it hasn't shown up again. At \$29.95, MailWasher Pro seems a good bargain.

#### **5. Real Stories from the Field — Wild burros as tools of theft**

We recently heard of someone who, while helping a friend move things in his garage, came across a bunch of small landmines left over from a manufacturing venture in Latin America.

The mines had been used abroad as part of an anti-theft program, to help deal with the problem of people breaking through the fence, then breaking through the wall to steal the manufacturer's products. In concert with local authorities, the area was re-fenced with a dead zone between two fences, and it was made well known that landmines had been planted around the perimeter. While this sort of thing is frowned upon in the U.S., there is, apparently, somewhat greater latitude in other places.

The idea seemed a good one, and worked for a while. However local ingenuity eventually defeated the system. The former owner of the manufacturing facility related the story of hearing the braying of a burro late one night shortly before an explosion. As he gathered his wits about him he heard the braying of another burro. The burro's braying lasted a bit longer than the first, but it too ended with an explosion. He then realized what was happening. The locals had cut through the first perimeter fence and were using burros to clear the path of land mines toward the inner fence. The locals followed the same path as the burros, crossed over the carcasses, and cut through the inner fence to steal the merchandise. It appears the locals have not yet heard of PETA, so it was business as usual, except, of course, for the poor burros.....

The owner of the business was so disgusted he grabbed all his stuff, piled it into a commercial transport, and came home the next day. The landmines? It seems someone loaded a crate that was supposed to stay behind.

## **6. Book and Product Reviews**

### *2003 Local Court & County Record Retrievers*

BRB Publications ISBN 1-879792-71-0 600 pages \$39.95

<http://www.brbpub.com/books/details.asp?ProductID=79> 1(800) 929-3811

This book contains profiles of over 2,600 companies, with 250 new companies and 14,000 companies indexed by county of specialty. It is the *Who's Who* of the record retrieval industry. It also contains a good description on how to select a professional. As investigators, we have relied on this publication for years. It is easy to use, and gets you to the people with whom you need to speak to get the information you need. The cost is more than offset the first time your staff needs to use the directory.

### **Doing Business in Emerging Markets**

S. Tamer Cavusgil, Pervez N. Ghauri, and Milind R. Agarwal

Sage Publications ISBN 0761913750 330 pages \$32.95

<http://www.sagepub.com/book.aspx?pid=8833>

We have offices in many countries, some of which are considered to be emerging markets. Some are just horrid markets rife with soft laws, unknown customs, and a favor system of patronage that put South Philly to shame. The book covered almost all of the problems one is likely to encounter, and had excellent recommendations for solving those problems. This book is an excellent primer for developing a framework for a First Worlder, going to a Third World market and trying to survive. The book is not an easy, light, read, but it is well illustrated and well documented, and most useable.

### **No Greater Threat**

C. William Michaels

Algora Publishing ISBN 0-87586-154-7 360 pages \$29.95

<http://www.algora.com/No%20Greater%20Threat.htm>

Contributed by Ken Howard. (*photoken7@pacbell.net*) Mr. Howard is one of the world's leading opera and theatre photographers, and has long been interested in civil liberties issues. Contributed articles do not necessarily reflect the viewpoint of the ÆGIS e-journal.

The US Patriot Act (Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism) was written and reviewed, passed by congress, and signed into law in the forty-five days between 11 September and 26 October 2001. It is 342 pages long, and is, by any standard, major and significant legislation, with the same widespread social impact as the Civil Rights Act of 1964. In the opinion of some, the speed of its creation was possible because it was largely an existing wish list of un-passable legislation.

While some sections deal directly with the events of September 11<sup>th</sup> – providing for victims of the attacks, increasing translation facilities to help recover from the previous purge of Middle Eastern experts from the intelligence services, and increasing forensic cyber-crime capabilities – the act goes way beyond these issues, and makes changes, some large and some small, to at least a dozen different statutes, including:

- Wiretap Statute (Title III)
- Electronic Communications Privacy Act
- Computer Fraud and Abuse Act
- Foreign Intelligence Surveillance Act
- Family Education Rights and Privacy Act
- Pen Register and Trap and Trace Statute

- Money Laundering Act
- Immigration and Nationality Act
- Money Laundering Control Act
- Bank Secrecy Act
- Right to Financial Privacy Act
- Fair Credit Reporting Act

Because it is so far reaching, and can affect the way we do many things, it should be of concern on two levels to all of us.

The first level of concern is that we need to know what it says so we don't inadvertently violate it. As you would expect of an explication of legislation this extensive, this is an extremely dense book, with almost as much information in footnotes and addenda as in the text itself. The first four parts cover in exhaustive detail every section of the act (including the potential impact each section could have on civil liberties in America). Because of the nature of the act, even this layperson's explanation of the act is difficult reading. Nonetheless, we think *No Greater Threat* will be as helpful a guide to the act as you are likely to find. We recommend it even if you are only concerned with the mechanics of the act.

The second level of concern is that the USA Patriot Act addresses many issues actually and potentially affecting our privacy and our civil liberties. The reason this is of concern is that many of the changes are in areas where there has repeatedly been abuse, and for which oversight put in place to control this abuse has now been largely removed. In the opinion of some, it is as if those writing the law had no confidence in the ability of the American system of justice, with its protections of the accused, to function under stress.

The concern is heightened in the minds of others because there is no evidence that our previous civil liberties posed a barrier to the effective tracking or prosecution of terrorists, and the government made no showing that the previous powers of law enforcement and intelligence agencies to spy on U.S. citizens were insufficient to allow them to investigate and prosecute acts of terrorism. In fact, there has been no indication or claim that under the USA Patriot Act the events of September 11<sup>th</sup> would have been prevented.

Providing a solution where there is not a problem is a concern if it weakens our Fourth, Fifth, and Sixth Amendment rights. In this case the concerns center largely on:

- The coupling of expanded surveillance over U.S. citizens with reduced checks and balances.
- The expansion of government surveillance powers over U.S. citizens in areas not related to terrorism.
- The expansion of surveillance of U.S. citizens domestically by U.S. overseas intelligence agencies.
- The unchallengeable suspension of Habeas Corpus rights on the whim of the administration.

The last four parts of *No Greater Threat* – and doubtless the reason it was written – are a wide-ranging discussion of what is happening to our civil liberties and our Constitutional rights since 9/11, and what we should watch out for.

How concerned are you likely to be about this second section, or how likely are you to be convinced by it? As with the other major divisive philosophical debates (gun control, abortion, and the use of a comma before the final “and” in a series), you will probably come out of the book with the same beliefs you held going in. As an example, several days ago this contributor got an e-mail from a friend who said:

We DO have a responsibility that is greater than any other country, at this point. We ARE a target and must take steps to protect ourselves. Our system HAS shown itself to deliver the greatest good for the greatest number. So what is wrong with promoting and protecting our interests and the interests of our system and philosophy internationally?

This person will not be moved by Michaels’ talk about the Japanese internment camps in WWII, which he believes was the right action for the U.S. to take. Nor by the difficulties some people had in the McCarthy era, since he believes that the fact that there were communists in the government justified what happened. These “lefty” issues will guarantee that a lot of people will rather easily dismiss the book. Further weakening his argument, near the end he marshals poets, a Buddhist writer, and a vegetarian to his side. When he quotes someone who says that not eating meat is a key to world peace, well, one’s mind begins to drift....

Obviously, many of the issues discussed in the book will eventually make their way to the Supreme Court. However, no matter what your philosophical beliefs, this book will help you understand the USA Patriot act, and understanding is always a good first step toward wisdom.

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