Cisco Systems

Canada Pension Plan 2011 Investment

$52 million

"*Together We Are Enabling the Global Military Mission*"

Image and text: www.cisco.com/web/strategy/government/defense_collaboration.html

Using the pretentious slogan, "Welcome to the human network," this US computer electronics and communications company has acquired US$87 billion in assets.

The company prides itself on having been declared one of the "World's Most Ethical Companies" in 2011. And, while Cisco has publicly adopted the "UN Global Compact," including the vow to ensure that they "are not complicit in human rights abuses," its products are thoroughly integrated into countless military systems throughout the high-tech arsenals of the US, Israel and many other allied countries.

A Cisco promotional brochure entitled "Enabling the Global Defense Mission," boasts that its Global Government Solutions Group is "a team of top experts from space, military, homeland security, and public safety from all levels of government," whose staff "supports governments and defense agencies around the world."

Cisco has been deeply involved in Israel's high-tech sector since at least 1997 when it established an R&D centre there and began investing in Israeli electronics companies. For example, when Cisco raised US$57 million for Israel's CyOptics Inc. in 2000, it became this start-up's lead funder. CyOptics makes "custom ruggedized RF [Radio Frequency] and fiber-optic components and modules for the Defense and Aerospace markets."

The Israeli military's reliance on Cisco was acknowledged in 2008, after the FBI began "investigating reports that counterfeit Cisco equipment had been installed in networks at US government agencies and in the military." Because it was thought to contain a "back door" allowing outside access to supposedly-secure networks, the US Justice Department reportedly seized US$80 million worth of equipment.

Within a few weeks of this scandal, Cisco's Executive Vice President Randy Pond went to Israel and "met defense officials." Israel's business paper, *Globes*, reported that the Israeli "Ministry of Defense and the defense establishment are important Cisco customers in Israel" and said that Pond's visit was "intended to explain to large Israeli customers, especially the IDF [Israeli Defense Forces], about the counterfeit equipment."

One of Cisco's "large Israeli customers" is Rafael, Israel's Armament Development Authority. (See "State-owned Israeli War Industries," pp.48-49.) *Globes* reported in 2002 that Cisco's "optical switches" are used to "enable transmission of large amounts of data" in "specialized military communications equipment" made by Rafael. Rafael's website says it uses Cisco's Catalyst 2955 hardware in its "Military Tactical Ethernet Switch" for computer networks in "armored vehicles, shelters, [and] naval vessels."

In 2009, Cisco was linked to a seven-year investigation by Israel's military into officials who leaked information to certain US firms that were bidding for Israeli contracts. Israel's *Haaretz* newspaper said the probe involved top Israeli military representatives in the US who "leaked sensitive information from the closed bids made by companies participating in the tenders to companies they favored, helping them win the contracts."

Cisco was the first firm listed in the *Haaretz* story on this corruption scandal. Other US computer companies that the paper listed as being involved in supplying Israel's military included EMC and Hewlett-Packard (HP). (See pp.30-31 and pp.36-37.) The *Haaretz* coverage also noted that Cisco and others were providing technology and software "for [Israeli] Military Intelligence units involved in signals intelligence and encryption, as well as for the [Israeli] air force and other units."

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