Bloomberg

WikiLeaks Leaking Cash After Snowden-Inspired Surge Slows

By Ben Moshinsky, Saleha Mohsin and Cornelius Rahn - Jul 9, 2013

WikiLeaks is leaking cash.

Donations to the European anti-secrecy website initially surged after it offered financial support for Edward Snowden, the former U.S. National Security Agency contractor who revealed secrets about American surveillance, the group's sponsor says. Contributions since have slid, according to the Hamburg-based Wau Holland Foundation, main collector of funds for WikiLeaks.

Donations surged to 1,000 euros (\$1,285) a day after Snowden stepped forward as the source of June newspaper reports about U.S. telephone and Internet surveillance, according to Bernd Fix, a spokesman for Wau Holland. Daily contributions have since dropped to about 100 euros (\$128.50), or about three times the rate before Snowden's emergence, a level that is unlikely to put WikiLeaks in the black again after two years of deficits, Fix said in an e-mail.

The group has dramatically cut expenses as contributions have dropped off, Kristinn Hrafnsson, a spokesman for Wikileaks, said by telephone from Reykjavik. He said the organization should be able to survive at a lower level of activity.

"I'm fairly optimistic we'll be able to raise enough funds to continue our work," he said. "We have adapted to the situation and will carry on."

The group, which published diplomatic and military documents obtained by U.S. Army Private Bradley Manning in 2010, thrust itself into the news again this year by offering legal and logistical help for Snowden. It put a chartered airplane on stand-by after Snowden, who had worked as a government contractor in Hawaii, surfaced in Hong Kong following newspaper reports of material he later acknowledged providing about surveillance.

Plane Arranged

Olafur Vignir Sigurvinsson, an Iceland-based WikiLeaks representative who arranged the plane for Snowden, said by phone this week that the charter was made possible through outside funds from "friends," though Snowden eventually made it to Moscow on a regular OAO Aerflot flight. WikiLeaks "did have a hand in financing" the flight to Moscow, said Hrafnsson, declining to

specify the cost.

Sigurvinsson said there are "currently" no plans to fly Snowden from the international transit area of Moscow's airport, where he is seeking asylum in other countries. The U.S. has accused Snowden of espionage and theft and revoked his passport.

WikiLeaks said yesterday on Twitter that Snowden had not "formally" accepted asylum in <u>Venezuela</u>, disputing earlier reports. The group said "states concerned will make the announcement if and when the appropriate time comes. The announcement will then be confirmed by us." WikiLeaks has 1.9 million followers on Twitter.

Assange At Bay

WikiLeaks has been struggling with financing and relevance as founder Julian Assange is holed up at the Ecuadorian embassy in London to avoid extradition to <u>Sweden</u>. The group also lost more than \$50 million of potential donations after <u>Visa Europe</u>, <u>MasterCard Inc. (MA)</u> and <u>American Express Co. (AXP)</u> stopped payments to the WikiLeaks in 2010, according to Assange.

Rebecca Kaufman, a spokeswoman at Mastercard, and Jennifer Doidge, a spokeswoman for Visa, didn't immediately respond to voicemails seeking comment.

Visa and MasterCard, along with PayPal, Bank of America and Western Union had suspended processing payments for WikiLeaks when the site published classified documents leaked by Manning, who's currently on trial in the U.S.

The blockade was lifted this year following a court battle by Reykjavik-based DataCell, which processes WikiLeaks payments.

'Blockade' Effect

"The banking blockade has had a dramatic effect" on WikiLeaks, Hrafnsson said. "The most serious aspect of the banking blockade is that it stripped us of the ability to expand and carry out the projects we had in mind."

The group last year spent almost 400,000 euros after receiving just 69,000 euros in donations, according to the Wau Holland Foundation's annual report. While Wikileak's funding comes "mostly from Wau Holland," Hrafnsson said, he couldn't immediately say how much comes from other sources.

Wikileaks can now process donations via MasterCard and Visa through a payment gateway in <u>France</u>, Hrafnsson said. The Freedom of the Press Foundation, which had helped Manning during his trial, has established the Electronic Frontier Foundation, which can also take donations to

WikiLeaks.

Wau Holland reported collecting 1.5 million euros for WikiLeaks from 2010-12, according to its annual report. It raised 1.3 million euros in 2010, it reported, with collections declining to 69,000 euros in 2012.

Donations Decline

The foundation listed the main expenses for WikiLeaks as 178,000 euros stemming from "campaigns," or from content review, "journalist contextualization" and external communications. It spent 134,000 on logistics, 37,000 on infrastructure and 18,000 on legal advice, according to Wau.

"Development of donations over the past two years has declined substantially, and is currently no longer able to provide the earlier levels support for the project," Wau stated in the report. "Since January 2013 the foundation has only been able to cover expenditures in essential infrastructure, such as servers."

Wau Holland was set up in memory of Herwart "Wau" Holland-Moritz, who founded the Chaos Computer Club in 1981 and died in 2001. The foundation's aim is to "promote and pursue his unique freethinking in relation to freedom of communication and informational self-determination," according to its website.

Seeking Cash

WikiLeaks seeks donations of 10 euros to 250 euros (\$13 to \$319) on its website via <u>credit card</u> through a French bank, or through PayPal or with Bitcoins. It also gets money through crowd sourcing through the Freedom of the Press Foundation, asking for donations from \$25 to \$5,000. The foundation also raises money for the Center for Public Integrity.

Hrafnsson declined to comment on how much funding Wikileaks needs to keep up operations, which requires powerful computers and large amounts of data storage. He also said he doesn't have an immediate overview of the incoming cash.

"We're talking about tens of thousands of donors, giving an average of 20 to 30 euros," he said. "The highest donation was 1,200 euros," he said.

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