

Sandline scandal causes tremors in Tony Blair's 'Cool Britannia'

by Dean Andromidas

A "very British" scandal has broken out over a "very British" coup, which threatens to bring down British Foreign Secretary Robin Cook and one or two other officials of Her Majesty's Government. The issue is whether the British Foreign and Commonwealth Office colluded with the British mercenary firm Sandline International, in an effort to overthrow the military junta in Sierra Leone, in Africa. The scandal is especially embarrassing, because it is in obvious contradiction to Cook's heralded "ethical foreign policy," which is one of the central features of the "New Labour" image. Prime Minister Tony Blair's "Cool Britannia" seems to be feeling the heat for the first time since it won office just one year ago.

Sandline International operates out of the same offices as the mercenary operation Executive Outcomes, as well as Branch Energy and a few other corporations (see *EIR*, May 8 and May 15, 1998). It was part of a network of British paramilitary mercenary and security companies described in an *EIR* feature report (Aug. 22, 1997), entitled "Britain's Invisible Empire Unleashes the Dogs of War." Sandline was at the center of a corruption scandal orchestrated to bring down the Papua New Guinea government of Sir Julius Chan. The current scandal has shed further light on what was written in that *EIR* report, including how this mercenary company worked in direct collusion with the British Foreign Office and Armed Forces.

In commenting on the scandal, Simon Jenkins of the *Times* of London wrote, "Every now and then the British political community goes mad. It rushes to the middle of the pitch [cricket field], tears off its clothes, gouges its eyes, and slashes its vital organs. After a while, and looking rather sheepish, it retreats to the dressing-room and resumes normal composure. Back on the field, two or three mutilated bodies are left in pools of blood." While this description captures the British private boys school culture which makes up so much of what passes for British politics, as a rule, when a British political scandal erupts, one must look elsewhere for the true causes and issues involved.

Tony Blair's coming to power last year was widely seen by the British elites as a continuation of "Thatcherism by other means." Blair's economic policies, indeed, are essentially the

same as the radical free-market policies of former Prime Minister Margaret Thatcher's Conservative Party. Nonetheless, the left wing of the Labour Party, of which Foreign Secretary Cook is a leading member, has been chafing at the fact that "New Labour" looks more like "Old Tory."

Far more important than Labour Party politics, are the strategic issues of Britain's relationship with the European Union, how to reestablish the so-called special relationship with the United States, and how to deal with the global financial crisis.

As one British businessman told *EIR*, "At the end of the day, a few politicians might lose their jobs, but the mandarins of the Foreign Office and the establishment running this country will remain intact." This observation has already, in part, been proven true, since a criminal investigation launched by the British Customs and Excise Department, into allegations that Sandline violated an arms embargo, has been dropped. At the same time, the government has launched an official inquiry into possible "misconduct" by cabinet ministers.

A very British coup

The scandal was initiated when the *Sunday Observer* revealed that the British Customs and Excise Department was investigating a possible breach of sanctions placed on Sierra Leone after a military coup in May 1997, led by Johnnie Paul Koroma, who had been trained at Sandhurst, the British military academy. Koroma had overthrown the elected government of President Ahmed Tejan Kabbah. The crux of the scandal was the fact that the British ambassador to Sierra Leone had encouraged the deposed President Kabbah to hire Sandline International to aid the overthrow of the Koroma military junta, through the sale of arms and direct military action.

Sandline has tried to show that its involvement in the counter-coup was to reestablish the "democratically elected government of President Kabbah." This tactic was also used by Prime Minister Blair, who invited Kabbah to attend the Commonwealth conference in Edinburgh, while the latter was in exile. Blair has called the restoration of Kabbah "a good thing," for which the British government should take

credit. He dismissed the scandal as a lot of “hooha.”

In fact, Kabbah was restored to power by neither Sandline nor the British government, but by ECOMAG, the regional peacekeeping force led by Nigeria under a United Nations mandate, and supported by the United States. According to sources in Nigeria, the Nigerians made that decision in order to prevent “Africans from killing Africans.” In fact, if Nigeria had not intervened, the weapons which Sandline had purchased, would have gone to the Kamajors militia, which supported Kabbah. That would have simply prolonged the civil war, while enforcing a mortgage on the country’s mineral resources in order to finance the payment of mercenaries and purchase of weapons. These weapons, fortunately, were never dispensed, and are now stored in a warehouse under the control of ECOMAG. But while Blair has heaped praise on the Foreign Office for supporting “a good coup,” his government has led the drive for the international isolation of Nigeria and has pushed for even harsher international sanctions against the government of Gen. Sani Abacha.

EIR has documented on several occasions that so-called mercenary or paramilitary operations are in fact creatures of the British foreign policy/financier establishments. In regard to Sierra Leone, *EIR* showed that Sandline’s “corporately unconnected” sister company, Executive Outcomes, received its first contract in that country in 1993, when the country was ruled by Capt. Valentine Strasser; it was paid to fight the Revolutionary United Front (RUF) rebels, who controlled one of the most mineral-rich regions of the country. The funding for that contract came from mining concessions Sierra Leone handed over, carved out of the zone “liberated” by Executive Outcomes. When President Kabbah first came to power at the end of 1996, he cancelled the contract, under pressure from the Clinton administration. Before Kabbah made that decision, he was warned by Executive Outcomes that his government would be overthrown if the contract were cancelled. That prediction came true, and no doubt served as a powerful influence on Kabbah, in his decision to hire Sandline, the “corporately unconnected” sister company of Executive Outcomes.

One important new piece of evidence is a letter from Sandline International’s attorneys to the office of the British Foreign Secretary, outlining Sandline’s involvement in the military operations in Sierra Leone, and its contact with both the British and U.S. governments.

The letter is on behalf of two people: Lt. Col. Tim Spicer, a former commander in the Special Air Services (SAS), and chief executive officer of Sandline International; and Michael Grunberg, who is described in the letter as a consultant to Sandline. What the letter does not say, is that Grunberg is also a member of the board of directors of Branch Energy, a company founded by Tony Buckingham, a former officer of the British Special Boat Squadron. Both Buckingham and Grunberg are directors of DiamondWorks, a diamond-mining company based in Vancouver, Canada, which

in turn owns Branch Energy. DiamondWorks has issued a press release on the recent scandal, in an attempt to correct what it considers misleading articles in the press. The press release states that DiamondWorks and Branch Energy have “no formal corporate link” with Sandline. Nevertheless, Colonel Spicer maintains his office at precisely the same address as Branch Energy, as does Executive Outcomes. DiamondWorks and its subsidiaries have a diamond-mining concession in Sierra Leone. It also has diamond mines and energy projects in Angola, Uganda, and South Africa. In several cases, these mines have served as sources for the payment of the military operations of Sandline International and Executive Outcomes.

The letter describes the government officials with whom Spicer and Grunberg had been dealing on the Sierra Leone contract. These included, first of all, Britain’s High Commissioner to Sierra Leone, Peter Penfold, a diplomat who survived two coups in Uganda and a civil war in Nigeria, and who, in consultation with President Kabbah, “encouraged Sandline International’s involvement.” Thereafter, Sandline held discussions and briefing sessions with the following Foreign and Commonwealth Office representatives who deal with Africa: John Everard, Craig Murray, Linda St. Cook, and Tim Andrews. They also held discussions with Lt. Col. Peter Hicks of the Ministry of Defense and Col. Andrea Gale, the British Army adviser to the United Nations special envoy to Sierra Leone.

The letter details Sandline’s discussions with representatives of the U.S. State and Defense departments, including U.S. Ambassador to Sierra Leone John Hirsch, and State Department Africa specialists Charles Snyder, Dennis Linskey, and Michael Thomas. Also on the list is Allen Holmes, Assistant Secretary of Defense for Special Operations. Holmes was U.S. ambassador to Portugal (1982-85) at a time when Portugal was a major transshipment point for illegal arms sales to Iran, Iraq, and Africa. While the State Department does not deny its contacts with Sandline, it does deny that the purpose was for the arrangement of a coup.

EIR wrote in its August 1997 report, that the U.S. Defense Intelligence Agency, in July 1997, hosted a symposium at the Pentagon on “Issues Related to the Privatization of Security in Sub-Saharan Africa.” We wrote that this meeting reflected the British influence within the U.S. permanent bureaucracy. The guest list of more than 70 people included three representatives of Sandline: Spicer, Grunberg, and U.S. Col. Bernie McCabe (ret.). Executive Outcomes was represented by Eeban Barlow and Nic Van Den Bergh. Charles Snyder of the State Department was also there.

Of special interest, the Sandline letter mentions Philip Parham, of the British Embassy in Washington, who functions as the British Foreign and Commonwealth Office’s liaison with the U.S. State Department for Africa policy.

The letter details how, during the military operations which led to the coup, Sandline’s personnel were invited on

board the *HMS Cornwall*, which was stationed off the coast of Sierra Leone on a humanitarian mission. Engineers from the *Cornwall* assisted in the repair of Sandline's Russian-made helicopter.

EIR's report documented that the paramilitary intelligence operations of the 1990s are merely the younger generation of the massive arms deals of the 1980s under the leadership of George Bush and Thatcher. Now it has also been revealed that one of the sources of funds for the Sierra Leone operation was Rakesh Saxena, a mysterious businessman who is currently sitting in a Canadian prison awaiting a decision on whether he will be extradited to Thailand on charges of fraud against the Bangkok Bank of Commerce. One of his accused co-conspirators in this fraud case is Adnan Khashoggi, the Saudi billionaire arms dealer who worked closely with Lt. Col. Oliver North and others in some of the largest Iran-Contra and other arms deals. Of Indian origin, Saxena was to finance arms purchases and pay for the services of Sandline in Sierra Leone, in return for lucrative diamond mine concessions. He was thrown in jail before he could receive his payoff.

Saxena is said to control almost 80 companies, many of which are based in the British Virgin Islands. Sandline was registered in this British territory in 1993, during the time that High Commissioner Penfold was Governor.

It has been reported that the company that shipped the weapons, Sky Air Cargo Services, was at one time called Santa Lucia Air—a firm which was created in the 1970s for shipment of weapons to anti-government guerrillas in Angola and other hotspots. It also shipped weapons to the Contras for Oliver North in the 1980s.

The London *Sunday Times* on May 24, 1998 reported that High Commissioner Penfold was in contact with an American businessman and arms dealer named Roger Crooks. Crooks had been described as the owner of one of the main hotels in Freetown, Sierra Leone. The *Sunday Times* claims to be in possession of a confidential British police document describing Crooks as a "freewheeling Texas millionaire" who had been involved in an international police operation aimed at preventing illegal shipments of arms and explosives. He is also reported to work very closely with Sandline, and leased a Russian-made helicopter, now used by Sandline in Sierra Leone.

EIR's independent investigation has found some other interesting facts about Crooks. According to a U.S. intelligence source who had extensive experience in Central America in the 1980s, Crooks, during this time, was supplying weapons to the Nicaraguan Contras on behalf of North. (Apparently his relationship with North was a bit testy, since they are said to have had a fist fight in Costa Rica.) Crooks allegedly had been trained by the CIA as a covert operations specialist and participated in the CIA's ill-fated Bay of Pigs invasion of Cuba in 1961. In the 1980s, he established ties to Iran-Contra personalities such as Robert Owen, whose corre-

spondence with North documents that the Contras were being financed by drug barons. Another was John Hull, whose Costa Rican ranch was used to resupply the Contras and was a transshipment point for narcotics trafficking into the United States. It was allegedly through his relationship to Gen. Richard Secord that Crooks came into contact with Defence Systems Ltd. and, eventually, Sandline.

Crooks in recent years had turned his attentions to Africa, using Sierra Leone as a base of operations to supply weapons in the various African conflict zones. He allegedly supplied weapons to Laurent Kabila to overthrow Zaire's President Mobutu, and to both sides of the civil war in Angola.

Executive Outcomes threatens African stability

The London *Sunday Express* on May 17 revealed the existence of an intelligence memorandum, apparently prepared in 1997 by Britain's Defense Intelligence staff, detailing the danger to African political stability posed by Executive Outcomes. The document shows that Executive Outcomes was first registered on Sept. 7, 1993 by Tony Buckingham and former SAS intelligence officer Simon Mann, currently Colonel Spicer's deputy chief executive at Sandline International.

The document, as quoted in the *Sunday Express*, states: "Executive Outcomes will dominate the security situation and may also control the bulk of the revenue-producing assets of Sierra Leone.

"There is a real danger that senior Executive Outcomes figures will become key powerbrokers, distorting attempts to return the country to some form of accountability.

"Their indifference to the social development of the country could easily foster rebellion, perhaps furthered by dissident groups outside the country.

"Executive Outcomes' widespread activities are a cause for concern. It appears that the company and its associates are able to barter their services for a large share of the employing nation's natural resources and commodities.

"On the present showing, Executive Outcomes will become ever richer and more potent, capable of exercising real power, often to the extent of keeping military regimes in being.

"If it continues to expend at its present rate, its influence in sub-Saharan Africa could become crucial."

The Defense Ministry document confirms the role of Executive Outcomes in Angola, where it had a contract with the government to aid it in its war with the UNITA nationalists. The document confirms a report appearing in *EIR* on May 8, that Executive Outcomes and Defence Systems Ltd. were playing a destabilizing role in Angola, undermining the U.S.-brokered peace process between the Angolan government and UNITA.

The Defense Ministry report notes that under the terms of the Lomé Protocol, which was supposed to end the fighting in Angola, the use of foreign mercenaries became illegal under

international law. But it says that mercenaries provided by Executive Outcomes have been concealed on the staffs of private industrial security firms operating in Angola. "Recognizing that the Lomé Protocol, if fully implemented, could speedily end Executive Outcomes' operations in Angola, a number of employees have attempted to establish their own businesses," the report says.

These conclusions were submitted to representatives of MI6, MI5, Defense Intelligence, and the Joint Intelligence Organization. The report, if deemed important by the permanent cabinet secretary, would be sent to the attention of the Prime Minister or Foreign Minister. As a work of the British intelligence service, it would be brought to the attention of the Queen, who is briefed once a week on intelligence affairs.

Nonetheless, despite the fears which seem to be expressed in the report, Colonel Spicer provided detailed tactical plans of the proposed counter-coup to an officer named Major Norman, of the very same Defense Intelligence staff which prepared this memorandum.

EIR asserted that these paramilitary operations, as a rule, enjoy very high-level political patronage. For instance, Defence Systems Ltd., based at Buckingham Gate, a few meters from Buckingham Palace, was at one time partly owned by the now-defunct Aitken Hume Bank. This bank was partly owned by Jonathan Aitken, nephew of the late Lord Beaverbrook, and had been a leading member of the Conservative Party. In the case of Sandline and Executive Outcomes, this patronage is provided by Life Peer David Steel. Lord Steel, founder of the Liberal Party and an old Africa hand, was also a director of Heritage Oil and Gas, which forms part of the Branch Energy corporate complex. Although his office says that he is no longer a director of the company, he has not cut off contact. In a letter appearing on May 18 in the *London Times*, he references a discussion of the coup with representatives of Sandline on March 3, 1998, a week before Kabbah was brought back to power.

Also sitting on the board of Heritage Oil and Gas is Andrew Gifford of GJW Government Relations, a political lobbying firm with excellent connections in the Foreign Office and the Parliament.

Lastly, *EIR* has documented that the International Institute for Strategic Studies is one of the principal authors of the policy of promoting "commercially viable" mercenary operations. In a commentary in the *Financial Times* on May 19, David Shearer, a research associate of IISS, takes the opportunity of this scandal to argue for the "need to control and regulate private military companies." Shear writes that in a world where the institutions of entire states are disintegrating, "private military companies . . . offer one of the few alternatives for a besieged government like that of Sierra Leone." He concludes by saying that the "decision by the Foreign Office to enter into discussion with Sandline was the most intelligent option."

Rwanda mourns death of Seth Sendashonga

Seth Sendashonga, leader of the Resistance Forces for Democracy, was murdered in Nairobi, Kenya, on May 16. The Kenyan authorities have arrested a Rwandan businessman, who allegedly confessed to arranging the murder, which was reported to have been carried out by two hit men, one from Rwanda and the other from Uganda. In February 1996, Sendashonga and his nephew were wounded in an assassination attempt by two Rwandans in Nairobi; the attempt resulted in the expulsion of Rwandan diplomats from Nairobi. On May 16, Sendashonga was killed, along with another Rwandan Hutu and the driver of the vehicle taking them from a United Nations building to downtown Nairobi, when the car was sprayed with bullets.

Sendashonga was the Interior Minister in the new government of the Rwandan Patriotic Front, when it came to power in July 1994, but broke with the government in August 1995, accusing the RPF of carrying out the systematic murder of 312,000 Rwandans inside the country since it had come to power. He went into exile in Nairobi, and founded the Resistance Forces for Democracy, with Faustin Twagamirungu, the former Prime Minister of Rwanda, who had broken with Paul Kagame's government in Kigali at the same time.

From Brussels, Twagamirungu charged that Sendashonga had been killed on orders of the Rwandan government: "I am pointing to the RPF and its government. Professionals were sent to carry out this piece of dirty work."

At the point that he was murdered, Sendashonga had agreed to testify before the International Tribunal on Rwanda in Arusha, and was to be called as a witness for the Parliamentary Commission investigation on Rwanda now proceeding in France.

Eulogy: Rwanda is in a state of shock

by Jean N. Gahururu

Mr. Gahururu is a member of the Foreign Relations Committee of the Rally for the Return of Refugees and Democracy to Rwanda.

A friend of Rwanda and of Africa, a world citizen (but no supporter of globalization), asked me to speak of the deep sorrow unanimously felt by the entire community of Rwan-