

ings against a gang of con-men who tricked investors out of several million euros with the help of market newsletters, press releases, “inside tips,” faked deals, etc. And then, on the very same page, the paper cites one Miguel Corte-Real, director of stock market products at Fidelity, saying that “the fear of a collapse of the financial system has subsided considerably.” And Gary Clarke, director of European stocks for Schroder, declares: “But we’ve arrived at the point where it appears reasonable to slowly go bargain-basement hunting, since so many companies are being traded at low values.” Are these already the “insider tips” for the next round?

‘The Brink of the Abyss’

In fact, nothing has subsided *less*, than fear of a total collapse of the financial system. Economic prospects are growing increasingly dim: The so-called IFO Economic Index, a business climate index, fell for the seventh time running, this time more sharply than expected. In this connection, the notorious Germanophobe Ambrose Evans-Pritchard, writing in the *Daily Telegraph*, cites the Düsseldorf IMK Institute saying that Germany’s economy is on “the brink of the abyss,” and for the coming year forecasts negative growth of 3.5% (!). And Carsten Brzeski, ING’s Europe economist, is quoted saying, “One thing is evident: The current downturn could behave like a boulder that is rolling down a hill. Once it gains momentum, it will simply mow down everything in its path. It has to be stopped in time.” Meanwhile, the collapse of the dollar and the British pound, and the renewed upward climb of the euro, portend additional problems for Germany’s already beleaguered export sector.

Governments must finally wake up. Unless something is seriously done to reverse the growing crisis in public confidence, especially among the youth, the kind of social unrest we recently saw in Greece is a mere foretaste of what will erupt in other countries. French President Nicolas Sarkozy appears to have understood as much, when he recently cancelled the hated school reform, in order to cool down the climate among the students and in the poor suburban districts. But there have already been similar disturbances in Spain and Sweden.

The crisis is bound to grow worse, until the program which LaRouche and the BüSo have long proposed, is implemented.

BAE Money Trail Leads to Thatcher

by Dean Andromidas

The South African Directorate of Special Operations (known as the Scorpions) carried out synchronized raids on the offices of the British arms company BAE Systems, and other locations Nov. 26; officials were armed with search warrants bearing charges of racketeering, corruption, money laundering, and fraud. Although these actions are reportedly aimed at uncovering bribe-taking by high-level South African government officials, their trail begins and ends at the doorstep of British elites, including that of former Prime Minister Margaret Thatcher.

Those so far identified as being under investigation stand at the center of British moves to destabilize South Africa: BAE Systems is not only the keystone of the British Empire’s military industrial complex, it is central to British intelligence operations worldwide. *EIR* has exposed that BAE gave hundreds of millions of dollars in “bribes” to Saudi Prince Bandar for billions of dollars in British arms sales to Saudi Arabia (see “Scandal of the Century Rocks British Crown and the City,” *EIR*, June 22, 2007, *inter alia*). These dollars have constituted a slush fund used by British intelligence in dirty operations the world over, including in the United States. BAE currently is the target of official investigations by the British, Swedish, and South African governments, as well as by the U.S. Department of Justice. The DoJ is investigating the role of the BAE slush fund in financing so-called “Islamic” terrorism in the Southwest Asia, North Africa, and South Asia. The Nov. 26-29 terror attacks in Mumbai, India are believed to have been funded by this same war chest.

The British-controlled South African media have seized on the latest raids to escalate the Anglo-Dutch financial oligarchy’s campaign against members of the ruling African National Congress (ANC), alleging massive corruption and bribe-taking. The bribes were allegedly paid in return for contracts to buy jet fighters and Hawk training jets from the Swedish firm Saab-Gripen,



USAF/Sophia Piellusch, CIV

Recent raids by the South African Directorate of Special Operations, against the offices of BAE Systems in South Africa, were conducted in part to investigate corruption by individuals closely linked to Lady Margaret Thatcher and her son Mark. Shown here, Maggie in 2004.

as well naval patrol boats from five European groups, including BAE systems and the French arms firm Thales. Nonetheless, the evidence that has been released so far, points in a very different direction. As this report reveals, the payments of over £100 million (\$150 million) ended up in the hands of Her Majesty's top agents in Africa and Britain.

All the Queen's Men

The fact that South African authorities are investigating the illegal transfer of over £100 million rules out the possibility that this is a simple bribery/corruption case. The trail uncovered points to the same model as the BAE/Bandar slush fund. It is likely that the alleged bribes never went to ANC politicians at all, but instead, constituted a fund, paid out of the South Africa deal, to run dirty operations in the country, including the recent ouster of President Thabo Mbeki.

The recent raids hit the local offices of BAE Systems, as well as their official agents, including South

African businessman Fana Hlongwane, and international arms dealer John Bredenkamp. Among the evidence sought by the Scorpions was information about individuals who had close ties to Margaret Thatcher and members of her family.

John Bredenkamp is a top British intelligence operative and arms dealer from the 1970s, when he smuggled weapons for the Rhodesian government (see "John Bredenkamp Puts His Foot in It," *EIR*, June 6, 2007). In the 1980s, Bredenkamp enjoyed high-level connections, including into the Cabinet of Prime Minister Thatcher; at the time, he was active in the multi-billion-dollar illegal arms trade to both Iraq and Iran, during the eight years of war between those two countries.

Bredenkamp is believed to have received as much as £37 million from BAE. According to the South African *Mail & Guardian* (Dec. 5, 2008), Bredenkamp claimed he could get to the right South African officials and use "Third World methods," i.e., bribes, to secure the deal. Yet the authors of the article quote from the British Serious Fraud office report of its interview with BAE official Allan McDonald, who said, "Mr Bredenkamp and his team contributed nothing towards the selection of BAE as preferred bidder." Also, reportedly, within BAE, there was considerable outrage over the fact that Bredenkamp failed to deliver, despite being paid enormous sums. If, as BAE itself claims, Bredenkamp did nothing to help close the deal, it suggests the bribes were never paid. Then, what did he receive the £37 million pounds for?

The second BAE agent was Hlongwane, who is suspected of being BAE's bag man in the alleged bribery of former Defense Minister Joe Modise, now deceased, for whom he had been an advisor in the 1990s. *EIR* investigations have shown that Hlongwane was not only an agent for BAE, but is a business partner with Lord Charles Powell, who, as cabinet secretary to

Thatcher, had played a critical role in negotiating the Al-Yamamah/BAE arms deal. He has subsequently been on and off the official payroll of BAE. Powell is also a business partner of Wafik Said, a Saudi businessman, also involved in setting up the Al-Yamamah arms deal.

Powell was one of the key architects of the British-orchestrated Iran and Iraq War (1980-88). His brother, Jonathan, was cabinet secretary to former Prime Minister Tony Blair, and played a key role in orchestrating the current Iraq War, while making billions for BAE Systems, which is now the largest foreign military contractor to the U.S.

Lord Powell is also the chairman of the advisory board of Wingate Capital in Geneva, whose South African office Hlongwane manages. Another director at the time that Hlongwane joined Wingate, was the above-mentioned Allan MacDonald, former director of BAE for Africa and Asia.

Yet another Wingate board member is the South African ANC politician Tokyo Sexwale, a top British agent, who played a crucial role in bringing down former President Mbeki. Sexwale, after the end of Apartheid, became a millionaire, with direct aid from the giant British mining company, Anglo American. In 2001, Sexwale was under investigation for conspiring to overthrow the Mbeki government.

According to the Dec. 5 *Mail & Guardian*, Hlongwane received nearly £17 million from BAE, through several intermediary companies, including Arstow Commercial Corporation (ACC) and Commercial International Corporation (CIC), which share directors who have had close ties to Margaret Thatcher. These companies also received payments from BAE.

Paying Thatcher's Rent?

In addition to allegedly transferring payment to Hlongwane, Arstow Commercial Corporation, according to the Dec. 5 *Mail & Guardian*, received £15 million from BAE. Arstow, which is registered in the British Virgin Islands, has among its directors Swiss resident Alexander Roberts, Bailiwick of Jersey (in the Channel Islands) resident Dr. Hugh Thurston, and the Liechtenstein-based Johannes Matt. Thurston and Roberts, according to the *Mail & Guardian*, are "connected to former British Prime Minister Margaret Thatcher."

Another £290,000 went to Commercial International Corporation, incorporated in Jersey, where again

Thurston is a director, along with one Robert Chapman and Leonard Day.

Yet another £8.5 million went to Brookland Management Ltd., of the British Virgin Islands. The company also operates out of Neuchatel, Switzerland under the directorship of David Clark, according to the London *Guardian* (May 14, 2007). The Dec. 5 *Mail & Guardian* reports that Brookland is linked to Sir Alan Curtis, "another close associate of Denis Thatcher," the late husband of Margaret.

According to an article published in the *Guardian*, May 25, 2002, Thurston and Day are directors of Bakedland Property Ltd., based in Jersey, which owns the \$3 million home in which Thatcher now lives. The fact that Thurston is a longtime associate of Thatcher is evidenced by the warm correspondence between the two, on file in the archive of the Thatcher papers.

Sir Alan Curtis told the *Guardian* that he has nothing to do with Brookland Management. Nonetheless, his relationship with the Thatchers is well-documented: The former arms manufacturer Gerald James wrote in his book, *In the Public Interest*, that Curtis was a member of the so-called Savoy Mafia, a group well-connected with the Thatcher government, which, in the 1980s, coordinated massive arms sales to Iran and Iraq, in violation of the UN weapons embargo. As one-time chairman of the British Lotus racecar manufacturer, Curtis employed Thatcher's son Mark as a salesman.

So, the question is: How much of this money went to pay Thatcher's rent?

All the connections of Father and Mother Thatcher were bestowed on their son, Mark. A failed bookkeeper, he reportedly served as a bag man for his mother, receiving commissions on major projects in the Middle East. After a run-in with legal authorities over a business venture in Texas, which compelled him to get out of town, he set himself up in South Africa. In 2004, Thatcher *files* plotted an abortive coup in Equatorial Guinea. He was found guilty in a South African court of crimes related to the coup attempt, and was given a suspended sentence. He left South Africa before he could be extradited to Equatorial Guinea, and is now resident in his mother's house in England. His partner in the attempted coup was Simon Mann, one of the founders of the British mercenary company Executive Outcomes. Mann was apparently not as well-connected as Mark Thatcher, and is now serving a very long prison term in Equatorial Guinea.