

CAAT*news*

**End the influence:
the campaign
continues**

Control

BAE

Control

BAE

**Don't sweep
the real BAE
under the
carpet**

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CAAT was set up in 1974 and is a broad coalition of groups and individuals working for the reduction and ultimate abolition of the international arms trade, together with progressive demilitarisation within arms-producing countries.

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COVER: CAAT

IN THIS ISSUE...



A BAE/SAAF Gripen fighter jet, one of the items involved in a multibillion rand South African arms deal under investigation for corruption. Andrew Feinstein, a key critic of the deal, spoke to CAATnews. See page 10.

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BAE searches for ethics at AGM

The notoriously controversial BAE Annual General Meeting (AGM) was more contentious than ever this year as the company – marred by allegations of corruption and ridiculed in the media for releasing an ‘ethics’ report – struggled to respond to growing criticism from protesters and shareholders alike. New CAAT volunteer Annabelle Williams reports from the AGM.

Ethics report

The AGM took place as usual at the beginning of May. But this time the backdrop was slightly different, as, in 2007, BAE had commissioned a report into the ethics of its company practices. The report was released the day before the AGM. BAE said it hoped to be the ‘industry leader in business ethics’ and would ‘set the pace for ethical business behaviour’. In an apparent bid to change public attitudes towards the company, BAE had the report written by a supposedly independent external body headed by Lord Justice Woolf. However, given that BAE funded the project in its entirety, the neutral status here is questionable.

Unfortunately for BAE, the release of the report was met with a less-than-sympathetic response from much of the press, and in the days leading up to the AGM it became clear that public and media alike were not convinced that BAE was in any way an ethical business. The problem was that many people thought the ethics report had missed the question most central to all morality: is it ever right to kill, or, in the case of BAE, to sell instruments designed to kill? And even if this is sometimes the right thing to do, is it ever OK to sell weapons to dictators, or gross violators of human rights?

Inside the meeting

Against this setting the BAE AGM went ahead in a smart London conference centre next to the Houses of Parliament. Beginning with an address by the company’s Chair, Dick Olver, it was clear from the start that the theme of the meeting would be ethics as Olver admitted the company’s reputation had been



Everything fine now on the ethics front? An ‘ethics advisor’ sweeps the bombs under the carpet CAAT

tarnished of late due to the SFO inquiry.

The floor was opened to questions, and an irate shareholder bemoaned the waste of his money being spent on commissioning ‘ethics’ reports. Other questioners wanted to know why BAE had worked so hard to have the SFO investigation closed, or exactly which weapons the Chair thought were ethical.

Street theatre

Outside, CAAT and many supporters gathered together to make a public stand against a company that sells large quantities of dangerous things to dangerous and powerful people. The protest attracted a large degree of attention from members of the

public, and journalists arrived in time to see CAAT volunteer Todd Higgs, dressed up as a BAE ethics advisor, using a broom to sweep papier mache bombs under a nice, big carpet.

Looking forward

The BAE AGM is, by its very nature, controversial, but this time the company itself has further riled anti-arms sentiment by attempting to placate the public with an ‘ethical’ report that swept over the most basic moral issues at the heart of their business. With our supporters’ help, CAAT continues to work towards ending the arms trade and all of the deaths, lies and corruption that go with it.

Foreign CEO for BAE?

Rolls Royce and BAE Systems, the UK's largest military manufacturers, have asked the government to let them appoint foreign Chief Executives. Such a move is currently forbidden by both companies' articles of association. The government has a share in each and relies on them for critical military technology. Rolls Royce makes reactors for the UK's nuclear submarines and BAE is behind most of the UK's advanced weapons systems.

BAE's Chief Executive Mike Turner stands down in August so the company is actively looking for a successor. SUNDAY TIMES, 16/3/08

BAE US orders

BAE Systems has received a \$176m order from the US Defense Department for howitzer guns and a \$715m order to supply nearly 1,500 mine-resistant vehicles. The company has also had a \$130m order from the US Army for production of thermal weapon sights.

FINANCIAL TIMES, 18/3/08; DEFENSE NEWS, 24/3/08; TIMES, 2/4/08

BAE jobs cut

BAE Systems is cutting nearly 600 jobs at Brough and Woodford after a drop in orders for its Hawk aircraft. The Hawk lull comes after it was not selected by the United Arab Emirates for a 2007 order worth £500m. The Hawk programme is also affected by a trend to unmanned aerial vehicles for fast-attack flight, which implies a reduced need for pilots, and so a reduced need for training aircraft.

TIMES, 4/4/08

ArmorGroup

ArmorGroup, the mercenary company chaired by former Conservative minister Sir Malcolm Rifkind, has been sold to rival

UK military

The Ministry of Defence (MoD) has finally signed a £13bn deal for a fleet of mid-air refuelling tankers. The AirTanker consortium, which includes EADS, Rolls Royce, VT Group, Cobham and Thales UK, will supply 14 new aircraft. The deal is one of the world's biggest private finance initiatives and will see the aircraft fly under RAF colours while being owned by the consortium. GUARDIAN, 28/3/08

An armoured, earth-moving vehicle being developed by BAE Systems for the UK Army has slipped three years behind schedule. The Terrier combat-engineering vehicle is the worst offender in a list compiled by a Parliamentary committee of delays in major military projects.

DEFENSE NEWS, 31/3/08

A report by the Commons defence committee claims that the Ministry of Defence must make difficult decisions over the military's 'unaffordable equipment programme'. It could mean the end of large programmes, including a £4bn plan to build two aircraft carriers, after the committee told the MoD to define the precise role of 'these expensive ships'. Senior Army commanders are said to be furious at the money spent on Navy and RAF projects while conflicts in Iraq

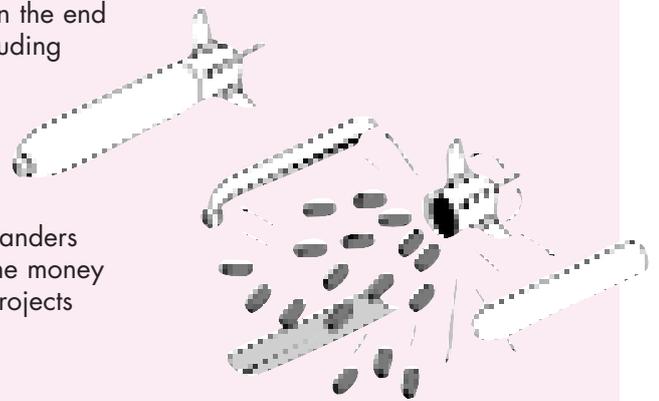
and Afghanistan are fought mainly by soldiers.

Whitehall insiders have said that the warship project will go ahead for 'political reasons' such as saving the UK's dockyards and jobs. DAILY TELEGRAPH, 27/3/08

The *Guardian* has revealed that funds set aside to clear landmines and remove arms from conflict zones is to be paid to BAE Systems to keep Tornado jets flying in Iraq. The MoD plans to pay out from the Conflict Prevention Fund to subsidise the cost of servicing the planes. The move follows the MoD's decision to close its facility for servicing Tornado jets in order to save money. GUARDIAN, 10/3/08

The UK government has confirmed that cluster bombs will remain part of the UK armoury, despite calls for a ban. Cluster weapons caused more civilian casualties in Iraq in 2003 than any other weapon.

GUARDIAN, 29/4/08



company G4S. News of the takeover saw ArmorGroup's shares jump by 41 per cent. TELEGRAPH, 26/3/08

Tanzania

Tanzanian cabinet minister Andrew Chenge has resigned after it was revealed that he was under investigation in corruption inquiries against BAE Systems. Investigators identified more than \$1m in his Jersey offshore accounts, money that Chenge denied was linked to secret

commission payments made by BAE to promote its sale of a \$40m radar system in 2001. A spokesman for Chenge said: 'What we are hearing is mere allegations.' GUARDIAN, 22/4/08

Tories on DESO

The Conservative shadow defence secretary has said that a Conservative government would reinstate the arms export agency DESO as part of the Ministry of Defence. Liam Fox MP described military

exports as 'an important consideration in any national security framework' and said 'responsibility needs to return to the MoD'.

TELEGRAPH, 26/3/08

Duke of arms

The Duke of York, who acts as UK Special Representative for International Trade and Investment, visited an arms fair in Jordan in April, where he witnessed the signing of two UK-Jordanian joint ventures. The Special Operations Forces Exhibition and Conference (SOFEX-08) was the largest Middle East and North Africa region arms fair to date. TIMES, 2/4/08; DEFENSE NEWS, 24/3/08

Sri Lanka

Sri Lanka is in talks with Russia over a \$75m deal for five MiG-29 aircraft. Other military items that Sri Lanka plans to buy from Russia include attack craft for the Navy, helicopters and combat equipment for the Army.

Sri Lanka has also been seeking urgent delivery from Pakistan of ammunition and hand grenades.

JANE'S DEFENCE WEEKLY, 19/3/08; JANE'S DEFENCE WEEKLY, 16/4/08

Turkey

The US has agreed to the use of Rolls Royce / Honeywell LHTEC CTS800 engines to power Turkey's AgustaWestland attack helicopters.

FLIGHT INTERNATIONAL, 1-7 APRIL 08

Libya

Libya has signed a deal with the UK arm of General Dynamics to equip the country's Elite Brigade with a tactical communications and data system plus technical and training support.

This is the UK's first major military deal with Libya since an arms embargo was lifted in 2004.

DEFENSE NEWS, 12/5/08

Libya debt

Russia has cancelled Libya's debt of \$4.5bn from Soviet-era arms deals in return for military, energy and construction contracts. A resulting military co-operation deal may mean that Russia regains its dominant position in Libya's military sector.

JANE'S DEFENCE WEEKLY, 23/4/08

China jet

Up to 20 Asian and African countries have expressed interest in China's JF-17 light fighter aircraft, which is cheaper than an F-16. The jet is being jointly developed by the China Aerospace Industry Corporation and the Pakistan Aeronautics Corporation. The Pakistan Air Force had its first two Chinese-built JF-17s in 2007.

JANE'S DEFENCE WEEKLY, 27/2/08

Blackwater

Mercenary firm Blackwater has had its contract to protect diplomats in Baghdad renewed by the US State Department. The announcement came as the FBI continued to investigate a 2007 incident in which Blackwater employees are alleged to have killed 17 Iraqis. So far, the FBI has found that at least 14 of the shootings were unjustified.

INDEPENDENT, 5/4/08

GardaWorld

A former security and intelligence adviser to the UK prime minister has accepted a job on the 'international advisory board' of Canadian private security – or mercenary – company GardaWorld. Sir Richard Mottram retired last autumn as Chair of Whitehall's joint intelligence committee and permanent secretary for security, intelligence and resilience.

GUARDIAN, 16/4/08



Some highlights from the BAE Annual Report 2007

'Delivering global growth'

Money

Sales	£15,710m
Profit	£1,177m
Order book	£38,600m

Some year highlights

- Acquisition of Armor Holdings, US armoured vehicle maker
- Saudi Eurofighter Typhoon contract signed
- Six ship contract signed for Type 45 destroyers for the UK
- Leadership in the provision of electronic warfare systems
- High volume of armoured vehicle sales and upgrades

BAE's 'home markets'

The report said: 'These markets have been identified as having a significant and sustained commitment to defence... We intend to invest and grow in these markets'. The home markets and the number of employees in each are:

US	44,000
UK	34,000
Saudi Arabia	4,300
Australia	2,600
Sweden	1,700
South Africa	500

Chair and Chief Exec's words

The following word counts are from the Chair's letter and the Chief Executive's introduction to his review in the Annual Report.

'global'	5
'international'	2
'US'	2
'Saudi Arabia'	2
'UK'	1
'ethics'	5
'arms'	0
'military'	0
'defence'	0

Office occupation at BAE's advertising agency

Y&R, the agency behind BAE Systems' latest advertising campaign, saw their London office occupied by campaigners in April, while street theatre took place outside.

Activists from climate justice direct action group London Rising Tide posed as executives from a newly-privatised wing of the Ministry of Defence called HarrionProjects, a spoof company whose centrepiece was the Harrion, a civilian version of the Harrier Jump-Jet. The activists launched a spoof press release saying that Y&R had agreed to

launch the Harrion advertising campaign, while carbon offsets company Climate Care had agreed to 'offset' the jet's emissions, even though the Harrion only manages 0.3mph.

Three people were arrested after occupying the Y&R offices for most of the morning but all charges have since been dropped. The action was part of Fossil Fools Day, an international day of action against the fossil fuels industry.

LONDON RISING TIDE

Bribing for Britain

If you have not already read it, *Bribing for Britain: Government Collusion in Arms Sales Corruption*, by former arms industry trade unionist Tim Webb, is a very readable account that gives background to the judicial review (see pages 8-9). It is available on the CAAT website to download as a pdf, or you can order a copy from the CAAT office – see back page of CAATnews for an order form.

Book review

War on Terror, Inc.: Corporate Profiteering from the Politics of Fear, Solomon Hughes, Verso 2007, £16.14

In *War on Terror Inc.*, the nucleus of Solomon Hughes' line of enquiry is President Eisenhower's farewell address to US voters in 1961. The President warned his citizens that: 'In the councils of government, we must guard against the acquisition of unwarranted influence...by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.'

From this starting point, Hughes sets out to document how this influence has not so much been guarded against, but invited in for tea and crumpets. He unveils a warts-and-all account of the exploding security-industrial complex that has come to engulf every aspect of military and security policy in the West.

Hughes elucidates the continuities behind a chilling narrative many of



us are familiar with, from Guantanamo Bay to extraordinary rendition, identity cards and the Iraq quagmire. He shows that the invisible hand facilitating these outrages is a ferocious and deregulated appetite for profit, supported by state sponsorship, which is less

accountable than Dick Cheney on a hunting trip.

The chapters that chronicle Iraq, and the largest growth in mercenary activity for a century, are particularly insightful and revelatory. Hughes depicts a shameless cavalcade of immorality encompassing greed, murder and sex-trafficking. Not forgetting his portrayal of BAE Systems' murky bout of corporate espionage levelled at infiltrating CAAT, which landed them in substantial hot water after it was reported in the media.

I was struck not only by Hughes' highly accessible and humorous style, but the painstaking level of detail he employs. The book is, in equal parts, informative, erudite and shocking. As complete an account of a relatively new privatisation phenomenon as you will find, these issues will no doubt come to dominate the security debate in the post-war years to come. For anyone interested in why our world is becoming so violent and authoritarian this is a must.

TODD HIGGS

Christian Network

Penarth prayers

Christians from Penarth, joined by others from a wide area of South East Wales, went to the BAE Systems weapons factory near Monkwood on Maundy Thursday to pray for an end to the arms trade. They paid witness to the links between the production and sale of weapons and the destruction of life and livelihoods in other parts of the world. Studies by Oxfam show that about 90 per cent of people killed and injured in modern-day warfare are women, children and men who are not involved in the fighting. One Oxfam study showed that some two million children had been killed by weapons of war in the previous decade. The UK continues to be one of the top three countries in sales of weapons, and BAE Systems is the largest producer and seller of weapons in Europe.

Those present at the service prayed for all people, particularly themselves, to learn to seek peace and justice by methods that are non-violent. Specific prayers were for the victims of the arms trade, for those involved in this trade that they may become more deeply aware of the consequences of their actions and for everyone who benefits from investments in it, particularly those of us whose pension and insurance funds contribute to its continuation.

Flowers were placed at the factory's perimeter fence to remember the children who have been killed or injured by weapons or who live in fear of their use and the families whose loss continues to cause them unbearable pain. The service was arranged by the Penarth Christian Network of Campaign Against Arms Trade. PHIL KINGSTON

UNISON Kent divestment

This year's Annual General Meeting of the UNISON Kent branch discussed a motion on ethical investment and the arms trade. The motion said that the branch would campaign for Kent County Council's Superannuation Fund Committee to monitor and report investments in the arms trade and said that the branch would campaign for an end to any such investments.

Alun Morinan of the CAAT Christian Network was invited to talk about CAAT's Clean Investment campaign, drawing on his own experience as a trade unionist and his involvement in a similar campaign in the London borough of Bromley some years ago. Questions put to Alun included employment issues in the arms trade, defensive versus offensive weapon sales and personal ethical investments. The motion was passed unanimously.

ALUN MORINAN

Edinburgh CAAT event

On April 19th the Edinburgh CAAT group held a Question Time style debate to discuss the issues involved in CAAT's Control BAE campaign. The event was well-timed, coming a week after CAAT's judicial review success.

Panellists came from a range of backgrounds and ideological viewpoints, with participants including a politician, an academic, a union representative, and CAAT's former Local Campaigns Coordinator, Beccie D'Cunha.

The event was organised with the support of Jubilee Scotland who kindly helped the group secure a fantastic venue for free and helped with the production of a flyer to publicise the event.

Given Edinburgh's reputation as one of the world's leading festival capitals, the organisers didn't want to disappoint their audience and organised some fantastic entertainment courtesy of a number of talented local musicians and stand-up comedians, who were all kind enough to perform for free in aid of CAAT.

This well-attended event was a great opportunity to sign up new supporters and raise awareness about CAAT's work. Well done to Mark Bitel and the Edinburgh group for taking the time to organise such an imaginative mix of debate and entertainment!



In May Chichester Area CAAT held an awareness-raising stall outside the Chichester Assembly Rooms (left)

YANNA WHITEHEAD

VICTORY IN THE COURTS

Stopping the BAE Saudi inquiry ruled unlawful

In a historic victory for CAAT, the High Court has quashed the Serious Fraud Office (SFO) decision to terminate an investigation into BAE's Saudi arms deals. This result is a major step forward in the campaign to end the unhealthy influence of arms companies within government. Symon Hill and Ann Feltham outline the background to the court case and the next steps in the campaign to control BAE.

The decision followed a legal challenge brought jointly by CAAT and The Corner House, a respected organisation that has worked on anti-corruption issues for many years. In a strongly worded judgment on 10th April, the Court described how BAE and the Saudi regime had lobbied Tony Blair and his ministers to have the investigation dropped. The judges went so far as to describe the Saudi threat as a 'successful attempt by a foreign government to pervert the course of justice in the United Kingdom'.

The history

The legal challenge began sixteen months previously, at the end of 2006. At that point, SFO investigators had spent two and a half years delving into allegations that BAE paid multi-million pound bribes to Saudi princes to secure the arms deals known as Al Yamamah. In autumn 2006, the media reported that the Saudi regime was threatening not to sign a deal with BAE for Eurofighter Typhoons if the investigation was not stopped. Apologists for the arms trade appeared in the media to make wildly exaggerated claims about the number of British jobs dependent on the sale.

The investigation was terminated on 14th December 2006. Within days CAAT and The Corner House

had instructed solicitors at Leigh Day & Co and barristers from Blackstone Chambers to begin a claim for judicial review. This is the process by which a court considers whether a public body has behaved unlawfully.

Stop press: BAE bosses detained

At the time of writing, reports are emerging that BAE Chief Executive Mike Turner and non-executive Director Sir Nigel Rudd were detained briefly in the United States and issued with subpoenas asking for information to assist a Department of Justice inquiry into the company's Saudi arms deals.

A long process followed, with moments of both joy and exasperation. BAE spied on CAAT and got hold of an email containing advice from our lawyers. A comedy gig organised by Mark Thomas, with comedians including Russell Brand and Ed Byrne, raised thousands of pounds for the legal challenge. We applied successfully for a Protective Costs Order, placing a limit on how much CAAT would have to pay if we lost the case. Our claim for judicial

review was initially rejected, but in November the High Court gave permission for it to proceed. Finally, in February, the hearing took place.

Documents released during the hearing exposed the lengths to which BAE was prepared to go to stop the investigation. They revealed that the company had lobbied the SFO to have it dropped as early as 2005. At that point, the SFO told BAE quite clearly that commercial and political considerations were not valid reasons for stopping a criminal investigation. During the following year the SFO obtained access to Swiss bank accounts and Tony Blair was personally lobbied by the Saudi prince Bandar – an individual who was himself at the centre of the corruption allegations. As his threats included the withdrawal of co-operation over fighting terrorism, BAE and the UK government were able to use 'national security' as a fig-leaf to cover up their motivations.

Decision unlawful

Contrary to Blair's claim to be protecting the UK, the High Court found that the UK's adherence to the rule of law had been undermined by the decision to drop the investigation in the face of the Saudi threat. The judges, Alan Moses and Jeremy Sullivan, ruled that the SFO's director 'failed to appreciate that protection of the rule of law demanded that he

should not yield to the threat'. They added that surrender to a threat 'merely encourages those with power, in a position of strategic and political importance, to repeat such threats'. It was not the investigation, but the decision to cut it short, that had endangered national security.

The judges went on: 'There is no evidence whatever that any consideration was given as to how to persuade the Saudis to withdraw the threat, let alone any attempt made to resist the threat'. They then moved on to a vital point about motivations:

'Too ready a submission may give rise to the suspicion that the threat was not the real ground for the decision at all; rather it was a useful pretext. It is obvious, in the present case, that the decision to halt the investigation suited the objectives of the executive. Stopping the investigation avoided uncomfortable consequences, both commercial and diplomatic.'

The judgment was welcomed by a wide range of newspapers (see page 12), politicians from all the main parties and others. Messages of congratulation flooded in to the offices of CAAT and The Corner House, by post, email and phone.

The Government and BAE were alarmed. Clutching at straws, several right-wing columnists – who sixteen months before were confidently predicting that our challenge had no chance of success – suddenly revived their commitment to British jobs. Their claims were even less believable this time. BAE has already admitted that most of the jobs created by its latest Saudi deal will not even be based in the UK. Lord Woolf's report into BAE's ethics was greeted with similar derision for its failure to consider some of the most basic ethical issues about the arms trade (see page 3).

Government to appeal

The Government almost immediately announced its intention to appeal against the decision. The appeal will be heard by the House of Lords on 7th and 8th July. Considering the questions raised by the case to be of general public importance, the High Court has ordered the Government to pay all the costs both for the case so



The appeal against the High Court's decision will be heard by the House of Lords on 7-8 July 2008 ADRIAN PINGSTONE

far and for the appeal regardless of the outcome.

The High Court's decision means that the investigation is technically reopened. However, the new director of the SFO, Richard Alderman, has said that he will make no decision in practice until after the House of Lords has ruled on the appeal.

Regardless of the outcome, the political repercussions of the High Court victory should not be underestimated. The arms industry in the UK is struggling to get used to the fact that it can no longer expect to have everything its own way.

Ministers know that their subservience to arms dealers is coming under greater public scrutiny. BAE has discovered that it cannot always bully its way to the desired result and the Saudi regime has realised that the British people do not share their Government's willingness to submit to human rights abusers.

Just as importantly, public and media awareness has shot up on the issue of arms companies' influence in the corridors of power. People from all walks of life are determined to campaign against this situation, recognizing that it is as harmful for the UK's democracy and economy as it is for international peace and security. And more people than ever are now aware that CAAT is a key organisation working to change this situation.

One more thing is very clear. While staff at CAAT and The Corner House, along with our barristers and solicitors, have worked extremely

hard on this case, we could not have done it without the encouragement and help of thousands of supporters. Countless individuals have made donations to CAAT, lobbied their MPs, written to their local papers and gone out on to the streets to promote the campaign. Many have offered encouragement that has kept the staff going at the most difficult times. Our success would not be possible without them.

This, then, is a victory for every CAAT supporter and for everyone committed to justice, accountability and peace.

Now Brown's changing the law – act now to stop him

That CAAT and The Corner House have had an impact is shown by the fact that the Government is now preparing to change the law to make things easier for powerful companies such as BAE. We need your help to stop this.

 Please write to your MP at the House of Commons, Westminster, London SW1A 0AA, or email – in most cases the formula is bloggsj@parliament.uk – asking him or her to press Prime Minister Gordon Brown to withdraw the provision in the recently announced Constitutional Renewal Bill that would allow the attorney-general to halt criminal investigations by citing 'national security'. The change would not allow any meaningful scrutiny of such a decision by either Parliament or the courts.

Challenging arms corruption in South Africa

Andrew Feinstein was a committed and active member of the South African parliament before resigning in protest at his party's handling of a now infamous multibillion rand arms deal. He tells his story in *After the Party*, a fascinating insight into disillusionment with a political party in which there was so much hope, and a gripping personal account of challenging corruption. Andrew spoke to CAAT about some of the issues raised in the book.

CN: What made you stand for election to the South African parliament in the country's first democratic elections?

I had been involved in opposition to apartheid from my late teens and had then left South Africa in the mid-eighties to avoid serving in the apartheid army. During this time I had become close to a number of people in the African National Congress (ANC), which I regarded as the legitimate voice of the majority of South Africans and the leader of the country's liberation struggle.

On my return, after the unbanning of the ANC, I formally joined the organisation and was then approached to stand as a candidate for the party. I regarded it as a great honour to represent the ANC and to play a part in the building of the country's new democracy. During the early years, under Nelson Mandela, Members of Parliament played a crucial role in holding the Executive to account and, in my case on the Public Accounts Committee, interrogating public spending. That changed under Thabo Mbeki, when we were expected to 'toe the leader's line without question'. When corruption in the arms deal came to light the leadership attempted to stop us investigating it and eventually removed me from the committee to neuter any meaningful investigation.

CN: What links do you see between UK and South African investigations into corruption around arms deals?

I believe in both places there is enormous political pressure to stop any meaningful investigations into corruption in arms deals. In the case of the South African government they

clamped down on the investigation to protect themselves as I believe that senior politicians, officials and the ANC itself benefited inappropriately from the deal. To date there has been little cooperation from the South African investigators for the UK investigation. However, with Thabo Mbeki losing the leadership of the ANC there is less political pressure on the investigators and levels of cooperation might improve. The



South African investigation has also been reopened. While these things take considerable time, I do believe that much of the truth about the South African deal will eventually be exposed.

CN: What response has the book met with in South Africa?

People around Thabo Mbeki reacted very negatively, denying most of my

claims but interestingly there has been no legal challenge to anything I have written about the deal.

Many others have responded positively, welcoming exposure of this sad episode which continues to undermine our young democracy. The reaction from the media has been overwhelmingly positive. The public reaction has been very enthusiastic. The book has been a bestseller and has been nominated for two awards so far.

CN: In the book you acknowledge an 'ever-increasing cynicism' towards politics that is global, and not specific to South Africa. How do you maintain hope in politicians and politics in general?

With difficulty. I believe that the very close relationships between business and government/politics has undermined accountable democracy. However, I believe that through the work of groups like CAAT and others, systemic corruption will continue to be exposed. Hopefully, this activism will eventually lead to a rupture in these cosy relationships, the creation of a meaningful regulatory environment and, therefore, a more honest and accountable politics. It will take time but it is a struggle well worth fighting.

After the Party: A Personal and Political Journey Inside the ANC, Andrew Feinstein, Jonathan Ball publishers 2007

New CAAT office coordinator

Hello, I'm Claire Brand. I started working part-time for CAAT in March as the new Office Co-ordinator. My role involves running the office, co-ordinating the support and recruitment of our volunteers, administering personnel procedures, managing the orders and mail-outs of CAAT materials, as well as organising stalls at festivals and events.

Before CAAT I worked in the arts. Over the last ten years or so I've held various administrative and general management positions in dance, theatre and visual arts organisations. My last job was for a charitable arts venue in East London that worked closely with the local community. However, recently, I have become more interested, and actively involved in, environmental and political issues. I decided a while ago that I wanted to move from the arts sector and work for a



campaigning organisation with aims and values that I believe in. So I was obviously over the moon to be offered this post working for CAAT.

I've already met a few of our supporters and look forward to meeting many more of you in the future. Please keep talking about CAAT and supporting us in any way you can.

Bye Beccie

Beccie D'Cunha, who was CAAT's Local Campaigns Coordinator for four years, has left CAAT to become a workplace mediator and trainer

Beccie said:

'It has been wonderful to be part of such a dynamic and successful campaign, which in the last year alone has closed DESO, persuaded Reed Elsevier to stop organising arms fairs and won its judicial review!

Thanks to everyone who has made my four years at



CAAT so happy and exciting. It has been a real privilege to get to know and work with CAAT supporters, local campaigners and speakers around the UK – your commitment, energy and creativity have been an inspiration to me and have helped to make CAAT the successful organisation it is. I am sad to say goodbye and will miss you all, but I will stay in touch and hope to see some of you at future CAAT events'.

Beccie will be greatly missed and we would like to say a huge 'thankyou' to her for all the wonderful work while at CAAT.

CAAT staff vacancies

CAAT is looking to recruit a Core Campaigns Co-ordinator and a Local Campaigns Co-ordinator

- The Core Campaigns Co-ordinator will promote and develop CAAT's main campaign, making sure it is effectively implemented, ensuring that other staff are involved as appropriate and that relevant campaigning opportunities are taken.
- A large part of CAAT's strength lies in grassroots campaigning and local activism. The Local Campaigns Co-ordinator will inspire and support local contacts and groups, promote and develop CAAT's local campaigning and liaise with other staff to ensure that local campaigning integrates with CAAT's overall work.

Both posts are part-time (3 days per week)

Salary £25,584 (pro rata)

Further information, full details and a downloadable application are available on the CAAT website. See

www.caat.org.uk/getinvolved/vacancies.php

Alternatively, write to CAAT, 11 Goodwin St, London N4 3HQ

The closing date for both jobs is 12 noon, Wednesday 25th June

Export promotion moves to UKTI

On 1st April, DESO – the Government’s arms sales unit – was dissolved and the 200 or so staff who worked on military export promotion transferred from the Ministry of Defence (MoD) to UK Trade & Investment. At UKTI they have become a ‘Sector’ alongside 40 or so civil sectors and are known as the Defence & Security Organisation (DSO). At the moment, the DSO workers remain in the old DESO headquarters in Bloomsbury, but a move to UKTI’s building in Victoria is expected later this year.

Is this, as some have argued, DESO Mark 2? Certainly, Lord Digby

Jones, the minister responsible for UKTI, professes himself enthusiastic about adding military sales to UKTI’s portfolio. However, DSO will have to compete for UKTI resources with other industries and it is unlikely that the latter will look favourably on the DSO’s disproportionate staff numbers for long.

The appointment of the DSO head is expected soon. One immediate change though, is that he or she will not enjoy a salary top-up from the arms industry. It is reported that Alan Garwood, the former head of DESO, had his salary raised from civil service levels to £400,000 in this

way. The arms industry was said to be concerned that, without this enhancement, only more junior industry figures would apply.

Another change is that DSO will have to account for its use of MoD facilities and personnel. The Service Level Agreement between UKTI and the MoD, which is on the UKTI website, sets out in some detail who provides and pays for what.

CAAT is monitoring the changes to make sure that, in the first instance, the support given by UKTI to military exports is no greater than is proportional to their contribution to the UK economy. ANN FELTHAM

CAAT in the news

Symon Hill reports on the media interest that followed the High Court judgment in April

The significance of April’s High Court judgment (see pages 8-9) was summed up by Megan Murphy in the *Financial Times*: ‘What started as a David versus Goliath challenge, brought by a group of activists dismissed as “treehuggers”, yesterday culminated in a damning condemnation of the government that is likely to reverberate for years to come.’

Media interest has been strong throughout the legal challenge and CAAT and The Corner House were overwhelmed with requests for interviews after announcing victory on 10th April. Spokespeople appeared on Channel 4 News and BBC 2’s Newsnight as well as PM on Radio 4 and other channels ranging from Five Live to Al Jazeera.

The *Independent’s* Ben Russell and Nigel Morris referred to the ‘no-holds-barred judgment’ while the

Guardian, whose work has been crucial in exposing the reality of BAE, published an editorial celebrating ‘the precious principle that the law must apply without fear or favour’.

It was far from alone. Most national dailies welcomed the result in editorials. ‘The government deserved yesterday’s searing High Court condemnation’, insisted the *Daily Mirror*. ‘Nobody... should be allowed to dictate the course of a criminal investigation’, thundered the *Financial Times*. Their view was shared by the *Times*, *Independent* and *Morning Star*.

Not everyone was so pleased. Under the laughable headline ‘Judges’ blow to war on terror’, the *Sun’s* political editor George Pascoe-Watson made his allegiance clear. He ignored the judges’ reference to ‘a foreign government’ managing to ‘pervert the course of justice’ in the UK. This is not surprising given the inconsistency of the *Sun’s* position with its usual rhetoric about British sovereignty.

Commentators were soon taking sides. The *Sunday Express’* business editor Lawrie Holmes welcomed the judgment as ‘a chink of light that could not have come too soon’. In contrast, Norman Tebbit suggested, in an especially vicious *Daily Mail* column, that arms dealers had to bribe because ‘the customer is always right’; he inaccurately implied that the bribery allegations had originated from CAAT. Cartoonists got in on the act, with the *Independent on Sunday* featuring the scales of justice unbalanced by wads of cash and a Eurofighter.

CAAT featured in several stories following the judgment, including the BAE AGM and the company’s ‘ethics’ report. National coverage was reflected in specialist media and several CAAT groups and activists answered enquiries from local newspapers. Media engagement is a priority for CAAT and the number of interested journalists has now been sharply increased by our victory in court.

Making arms, wasting skills

A new CAAT report explores alternatives to militarism and arms production. Here, we include an extract from the report's Executive Summary.

Arms production is now an international military-industrial network, dominated by US-based corporations including Boeing and Lockheed Martin, the essential function of which is to support the United States in maintaining its military supremacy and its geo-strategic goal of continued access to energy supplies. The leading European arms companies have pursued aggressive acquisition programmes in the US to gain access to the lucrative American market, with BAE now one of the largest suppliers to the Pentagon.

Subservience

The UK has accepted a subsidiary role to the US in the latter's broader strategy of global military force projection not least because it seeks to retain access to leading edge military technologies, including nuclear weapons. But the cost of this subservience is continued multi-billion pound expenditure on a range of sophisticated equipment that offers no contribution to the country's real security needs; a significant and shameful role in a corrupt and dangerous arms trade; and no real commitment to support efforts at international disarmament, including nuclear disarmament.

Real cost

Supporters of the military economy and the arms trade argue that, despite the massive job losses in the sector since the 1980s and the increasing use of foreign subsidiaries and subcontractors by the major corporations, they provide the UK with internationally successful, high technology niches in aerospace,

engineering and electronics, as well as skilled work and spin-offs beneficial to the civil sector. But the real cost has been the diversion of resources from other forms of manufacturing activity that, if provided with similar long-term government investment, could actually have generated greater employment and direct benefits to the civil economy through improved technologies and industrial processes.

Steven Schofield, author of the report, completed a doctorate on arms conversion at the University of Bradford and was co-founder of the Project on Demilitarisation. He has published widely on disarmament and on economic regeneration issues.

The decline in arms employment has left only a handful of local economies with a residual dependency on military Research & Development and production, including Preston, Barrow-in-Furness, Yeovil, Brough and Glasgow. Even at these sites, there have been considerable job losses since the 1980s and there is continued vulnerability to further rationalisation. The military aircraft sector is particularly dependent on arms exports, with the BAE Brough site in East Yorkshire facing closure because of the lack of follow-on orders for Hawk aircraft.

Potential for change

Because arms-related employment constitutes such a small proportion of national employment, the adjustment from a further restructuring based on deep cuts to military expenditure, is a minor one. Only in these small pockets of local dependency would further assistance be required to help diversify the local economies. This would be the sort of restructuring that

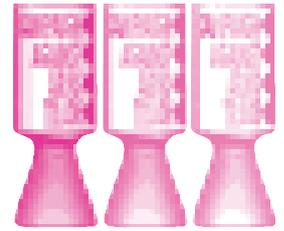
many local areas have experienced after the loss of a staple industry and can be done successfully through support to regional and local economic development agencies in order to create a diversified and robust economic base.

More ambitiously, central government has a vital role to play in developing a radical, political economy of arms conversion and common security. By moving away from military force projection and arms sale promotion, the UK could carry out deep cuts in domestic procurement including the cancellation of Trident and other major offensive weapons platforms, as well as adopting comprehensive controls on arms exports, including the suspension of weapons exports to the Middle East. The substantial savings in military expenditure could help to fund a major arms conversion programme.

Here the emphasis would be on environmental challenges, including a multi-billion pound public investment in renewable energy, particularly offshore wind and wave power, that would substantially cut the UK's carbon emissions and reduce dependency on imported oil, gas and uranium supplies. These new industries will also generate more jobs than those lost from the restructuring of the arms industry. In this way, the UK would take a leading role in establishing a new form of international security framework based on disarmament and sustainable economic development.

Making Arms, Wasting Skills: Alternatives to Militarism and Arms Production is available for download at www.caat.org.uk. A printed copy can be ordered by emailing claire@caat.org.uk or phoning 020 7281 0297 or using the order form on the back of this issue of *CAATnews*.

Fundraising



Sheffield half-marathon

Congratulations to David Ivall who successfully completed the Sheffield half-marathon on 27th April, raising over £220 for CAAT! Cheered on by friends and family dotted along the route, David completed the race in two hours, six minutes and 41 seconds. Well done and thank you to David for raising this fantastic total for CAAT.

Perhaps you would like to follow in David's footsteps and run a race for CAAT? We are still looking for people to do the Great South Run in Portsmouth on 26th October. Details of the event are available on the race website <http://gsr.realbuzz.com>. Register as soon as you can, as only a limited number of places are available.

We would love to hear from you if you are running this or any other race. Please contact Marisa on 020 7281 0297 or email marisa@caat.org.uk.

'Demo' night, Nottingham

Former CAAT volunteer Charlotte Manicom used a regular club night in Nottingham – 'Demo' – to raise

money for CAAT at the end of March. Each month event organisers shape the night around a different theme, presenting guests with the opportunity to learn basic facts about the chosen issue and hopefully also inspire them to get more involved with organisations working on the month's cause. In the event organisers' words, they hope to give Nottingham's nightlife an 'ethical face-lift'.

Charlotte and her team worked hard to transform the venue. By day it is a series of darkened rooms but for the CAAT fundraiser it was turned into a cave of rainbow colours, covered with banners, swirling messages and decorations. Banners carried messages such as 'Beats not bombs', 'All the arms we need' and various facts intertwined with striking images. On entry, guests were given decorated 'notes' with facts and ideas on the arms trade, details of related events, internet links, actions and information on CAAT's work hidden in the flowers and patterns.

To provide some light relief from the more serious side of the evening, a wide variety of entertainment was

on offer from local up-and-coming artists and performers. Guests were able to choose from a diverse selection of music, ranging from mellow acoustic sounds to dub step DJs or live reggae bands. Poetry readings were given in the café and a tent lit up with fairy lights even played host to a freestyle drumming session!

As well as raising the fantastic sum of £500 for CAAT, the event was a brilliant opportunity to increase awareness of our work. We'd like to say a big thank you to Charlotte and her team for all of their hard work on CAAT's behalf.

If you feel you could help us raise money by organising an event such as this, or even something on a smaller scale, please do get in touch. The contributions of enthusiastic and skilled supporters staging events like the one above are greatly valued by all at CAAT and make a very welcome addition to our income. We can help you publicise your event amongst our supporters as well as on our website and can also give other tips on making your event a success. If interested, please contact Sally on 020 7281 0297 or email sally@caat.org.uk.

Fundraising volunteer

Would you like to help CAAT raise funds to continue its vital work? We are looking for a part-time fundraising volunteer to assist with various administrative tasks, appeals work and fundraising events. Volunteering for CAAT gives you the opportunity to meet a wide range of people, develop new skills and gain experience of what it's like to work in a small campaigning office.

If you think you might be interested, please visit our website www.caat.org.uk/getinvolved/vacancies for further details. You may also wish to speak to Sally Campbell, Fundraising Coordinator, by calling 020 7281 0297. SALLY CAMPBELL

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CAMPAIGN AGAINST ARMS TRADE

Participate in CAAT – here's how

For more information on all of these or any enquiries not covered below contact the CAAT office on 020 7281 0297

To notify CAAT of a change of address please email enquiries@caat.org.uk with 'change of address' in the subject line.

Subscribe to a CAAT email list



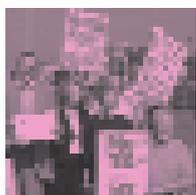
Sign up to receive the monthly CAAT bulletin with the latest news and events, receive press releases or join the CAAT Action Network list. Contact enquiries@caat.org.uk or visit www.caat.org.uk/lists

Make a donation

Our supporters' donations enable us to strive for a world without arms trading. Without your help there would be no campaign. Support CAAT by sending us a cheque, setting up a regular standing order donation, or by taking part in a fundraising event. Contact Sally at sally@caat.org.uk.



Campaign locally



CAAT has a network of local contacts and groups around the UK who take responsibility for promoting anti-arms trade activity and the work of CAAT in their area. Get in contact if you would like to know what is happening in your area or if you are interested in

becoming a local contact or setting up a group. All that's needed is a willingness to raise awareness of arms trade issues in any way that you feel is appropriate. Contact enquiries@caat.org.uk for info, including the Local Campaigns Pack.

Order publications

CAAT produces briefings, reports and leaflets on a range of issues. Contact Claire at claire@caat.org.uk.

Raise awareness

Organising a public meeting, using the local media and running a street stall have proved effective ways for CAAT groups to raise awareness of arms trade issues. CAAT can provide speakers for public meetings, materials for stalls and can also help with publicity. Contact enquiries@caat.org.uk. For media info contact Symon at press@caat.org.uk.



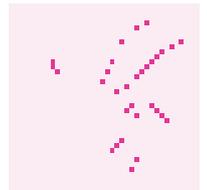
Protest



A protest against the arms trade can show that many people do not think it is an ordinary, acceptable business. It can also generate publicity, raising awareness about individual companies and the arms trade in general. CAAT is a nonviolent organisation and any protest organised under the name of CAAT must be nonviolent (contact the office for the CAAT guidelines). Contact enquiries@caat.org.uk.

Christian Network

The Network raises arms trade issues within national church structures and local churches. Contact Alun Morinan at christian@caat.org.uk.



Postcard

CAAT has produced this new postcard for ordering info and campaign packs from the CAAT office - ideal for distribution on campaign stalls.

For copies, contact the office, saying how many you would like.



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Subscription is voluntary, but we need your support. We suggest £26 waged, £14 low income and £35 for groups. Please give more if you are able, or less if not.

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Order form

This is a selection of our recent materials. For a full list, contact the CAAT office or visit www.caat.org.uk
PLEASE TICK BOX AND MARK QUANTITY REQUIRED

Recent publications

- Making Arms, Wasting Skills: Alternatives to Militarism and Arms Production**, April 2008, by Steven Schofield (£3) Quantity
- The Facade of Arms Control**, Feb 2008, by Anna Stavrianakis (£3) Quantity
- Study War No More: Military involvement in UK universities**, Nov 2007, by CAAT and the Fellowship of Reconciliation (£3.00) Quantity
- Bribing for Britain: Government Collusion in Arms Sales Corruption** (Goodwin Paper #5, Oct 2007) by Tim Webb (£3.00) Quantity
- A seriously funny attempt to get the Serious Fraud Office in the dock!** Sept 2007. Programme from gig at the Hammersmith Apollo, London on 23rd September (free) Quantity

Campaign postcards

- Corporate Mercenaries postcard** (free) Quantity
- Stop Arming Israel postcard** (free) Quantity

Other resources

- T-shirts** Black with small white logo (women's fitted: small, medium or large; unisex: medium, large or extra large) (£10) Quantity
- Recruiting postcard** (free) Quantity
- Greeting cards** Three doves of peace or Tree of Peace (see page 15) (£5 for 10 cards & envelopes + 50p postage & packing) Quantity
- Introduction to CAAT** (free) Quantity

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