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Fundraising Get active Campaigns diary

CAATnews Kodes the key to t

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Cover photo Julian Makey/Rex Features

Thank you also to our dedicated team of stuffers: Assal, David, Lilian, Lucy, Samantha, Sheila, Stephen, Sue, Sylvia and Ted

Printed by Russell Press Limited on recycled paper

Copy deadline for the next issue is 16 March 2004. We shall be posting it the week beginning 29 March 2004.

If you would like to receive this issue of *CAAT News* in audio format or in large print, please call the CAAT office (020 7281 0297)

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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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Cook's book blows lid off government-industry links

One or two gaffes at a Christmas bash are par for the course of anyone's festivities, and most end up sunk well under the gloomy carpet of a New Year hango ver. Not so for BAE's outgoing chairman.

Renowned for establishing smooth relations with politicians from across the political spectrum during his long career at BAE, Sir Richard Evans told a gathering of BAE executives, senior MPs and ministers of an arms deal he personally made with Saddam Hussein, the former Iraqi dictator. Evans said: "He handed over a cheque for £40m and then we suddenly realised there had been a misunderstanding. He thought he was buying Tornado jets. In fact I was trying to sell him Awacs (Airborne Warning and Control System) planes. As I handed back the cheque I said, 'this is going to hurt me more than it is you'."

Evans was awarded the CBE in the 1986 Queen's Birthday Honours List for "services to export", during the height of Western arms companies and the USSR striking deals with Iraq. Political attendees at the bash in Whitehall expressed "a sort of disbelieving silence". "Labour ministers looked aghast; the Tories just looked embarrassed," reported the *Sunday Times*.

The comments were all the more embarrassing as they were made just three days after the capture of I raq's former tyrant. Though the Arms to Iraq inquiry by Lord Scott in 1996 was thought to have documented most UK arms supplies to Baghdad, a new chapter of revelations is likely to spill into the public domain over the next few years as omnipresent coalition authorities stumble across vast amounts of unused conventional weapons from the West, and the former Soviet Union, Baathist Iraq's largest military supplier.

A documentary shown by ITV provided a taste of things to come, when it recently filmed a vast desert park north of Baghdad heaving with military platforms such as tanks, artillery howitzers, and jets from Russia, the US, France and the UK. Challenger tanks manufactured by Vickers in the UK, described as being in good condition by a special-forces soldier, were shown in *The Secrets of the Iraq War*, broadcast on Sunday 11 January.

Despite Labour clearly not being responsible for Mrs Thatcher's 'Arms to Iraq' scandal, BAE and Sir Richard Evans's continued links to the corridors of power after the Tories lost power threaten to embarrass Tony Blair, potentially rendering him 'guilty by association' in the eyes of the public, many of whom lack the forensic attention to political and historical detail which consumes their elected party anoraks.

Recent revelations in Robin Cook's book, *The Point of Departure*, were at their sharpest when recording concerns over 10 Downing Street's close relationship with BAE.

The book penned by the former Cabinet minister was hardly seeping with excess vitriol overall. In fact, it was so genial and accommodating in many places (if not deliciously indiscreet in others) that one would be surprised if Cook was not asked to return to the ministerial fold if Labour win a third term in office and Blair departed.

But in one attack against the prime minister, for overruling Clar e Short's concerns at BAE supplying a £28m military radar to Tanzania in December 2001, Cook wrote: "In my time I came to learn that the Chairman of British Aerospace [Sir Richard Evans] appeared to have the key to the garden door to Number 10. Certainly I never once knew Number 10 come up with any decision that would be incommoding to British Aerospace." Cook then went on to cite Blair overruling Cook himself, who opposed the sale of Hawk jet upgrades to Robert Mugabe in Zimbabwe while he was foreign secretary.

Cook also lambasted the PM for slavishly subordinating UK interests to the cause of relations with a US "administration dripping in oil executives," which is "committed as a matter of principle to US supremacy without any need to count on allies." Such positioning is domestically unpopular, and comes at the expense of ties with "our immediate neighbours" in Europe, who back the multilateral or der, he argues. Cook's diary entry of 8 July 2002 again uses an occurrence in the UK arms trade to accentuate his concerns. "Ben Bradshaw waits behind [after a Commons meeting] to share with me his anxiety over the decision Jack Straw is announcing today that we will allow the US to incorporate British avionics in the F-16s that they are exporting to Israel. He is visibly upset by it, as he regards it as a flat breach of our own domestic ban on the export of weapons to Israel, and he personally resisted it during his time as the junior minister responsible for the Middle East."

Without going into the gory details, maybe the plight of Israel and the Palestinians is a good anecdote for a BAE Christmas dinner some years down the line.

Robin Cooks book, The Point Of Departure, is published in London by Simon & Schuster (ISBN 0-7432-5255-1)

Editorial

Happy New Year for 2004, and hopefully this one will be a whole lot more peaceful than the last. Though with day-to-day conflict happening from Indonesia to DR Congo – we must ensure that we never become just narrowly focused on events that bleep the radar of our Iraq and War-on-Terror-obsessed media at home.

This edition focuses on government levers pushing the UK arms trade. On this page, Robin Cook's new book offers prescient insights into the close relationship between Tony Blair and BAE Systems. CAAT Steering Committee member Emma Mayhew summarises her academic PHD findings with an in-depth look at BAE's links to the UK's corridors of power (pages 8-9). Finally, read exclusively about an Acehnese refugee's legal fight to make the Government adhere to the EU criteria over arms exports to Indonesia (page 11).

Stay positive! Comments to: enquiries@caat.demon.co.uk

Turkey turns water into arms



Turkey is to ship millions of gallons of fresh water to Israel, in return for Israeli tanks and air force technology. Israel's Prime Minister, Ariel Sharon, and Turkey's Energy Minister, Zeki Cacan, agreed the deal in Jerusalem which is set to provide Israel with up to three per cent of its domestic water needs, helping the country escape reliance on its alarmingly depleted reservoirs and lakes. To deliver the water – earmarked for the next 20 years for farming and industrial development – Israel will build a fleet of giant water tankers to ship around 50 million cubic metres of water per year from the River Manavgat in Anatolia. For Turkey, sales could generate hundreds of millions of dollars per year in hard currency and provide access to Israel's advanced arms and military upgrade programmes. Israel already provides huge amounts of military technology to Turkey. During 1997, Israel Aircraft Industries won a \$600m contract to upgrade Turkish F-4E fighter jets up to Israeli Phantom 2000 standard. In March 2002, Israel Military Industries tied the two countries together even more closely by winning a \$668m deal to upgrade 170 M60 Turkish Army tanks.

(The Guardian, 6 January 2004) (For information on arms sales to Turkey go to: www.caat.org.uk/information/publications/countries/turkey-0303.php)

Thales face fraud claim

An arms broker is taking legal action against French arms-giant, Thales, to claim hundreds of millions of Euros that he says he has been defrauded of, after fixing a deal on the company's behalf with Saudi Arabia. Lebanese businessman, Nasr Abu Diwan, argues that Thales used him and his late brother as intermediaries to secure \$8.9bn worth of contracts to supply border military equipment to the kingdom. But Thales cut the Diwans out of the deal in 2000, then presented their feasibility studies and proposals to the Saudi government in an attempt to win the business. The French government signed a protocol with Saudi Arabia in 1994 to boost the oil-rich country's border security. Diwan's claim, made through his Paris lawyer, is for two per cent of the value of the planned contract. Thales arms and telecommunications projects have recently cropped up all over Saudi Arabia. Thales maintains a dedicated branch in the kingdom; its Air Defence subsidiary, charged with maintaining and building missile systems, is based in Riyadh. Thales also provides IT management systems to Saudi armed forces. Last year the company gave almost £1.5m to Al-Faisal University, a new science and technology campus in the kingdom. They were awarded "co-founder" status along with another international donor, BAE Systems. (Associated Press, 9/1/2004)

P.S. Calling all football fans!

While Ed. was researching the previous arms trade short, he came across the following, part of BAE's 'Corporate Social Responsibility – Working in Communities' programme for 2002. The programme included: "Two Saudi football coaches... were funded on an international football licence course run by the English Football Association."

(www.baesystems.com/corporatesocial responsibility/community/index5.htm)

Ebay – rivals for BAE?

The famous UK Second World War aircraft carrier, HMS Vengeance, found itself languishing on Ebay's internet auction site before Christmas and subject to frantic bidding of up to £4m. The 16,000-ton vessel was put up for sale by an agent acting on behalf of its secret owner. The ship was launched in 1944, before being loaned to the Australians after the war, then it was bought by Brazil and renamed Minas Gerais in the mid-Fifties. It was decommissioned in 2001 and is furnished with modern satellite communications equipment though jet aircraft and missiles will have to be bought elsewhere, such as at other internet sites like www.baesystems.com or www.raytheon.com. (www.telegraph.co.uk, 10/1/2004)

Indo-Russian tank tops

Two days after India's prime minister met with Pakistan's president to agree historic peace talks, India produced its first locally manufactured T-90 Russian battle tank. At India's state-owned heavy vehicles factory in Avadhi, the first batch of 210 T-90s, being made under license with a Russian company, finally materialised. Production follows a deal signed in February 2001, whereby Russia's Uralvagonzavod State Enterprise supplied India with 100 combat-ready tanks over the past three years and will now ship the remaining 210 in a partially-disassembled state. Indian engineers will add gunbarrels, thermal imaging sights and fire control systems. However, timing of the initial deal in 2001 was as cloddish as this month's production run. Just days before the £550m collaboration deal was signed with Russia, 30,000 Indians were killed by an earthquake in the poverty-wracked Indian state of Gujarat. The quake also decimated property worth some £4bn. Nevertheless, India maintained it had to buy the tanks because Pakistan had bought 320 T-80 main battle tanks from Ukraine in 1996.

(www.defensenews.com, 6/1/2004) Watch out for CAAT's forthcoming report on the arms trade in India and Pakistan, authored by former CAAT Media Coordinator, Richard Bingley, due out in Spring 2004!

Boeing deal hit by Pentagon

A contract worth \$20bn to US aerospace and arms-giant Boeing has been suspended by the Pentagon, pending investigations into unethical conduct by the company. The corporation had won a contract last year to supply the US Air Force with 100 air-to-air refuelling tankers, 20 of which would have been leased while the other 80 purchased outright. But Paul Wolfowitz, US Deputy Defence Secretary, told the Senate Armed Forces Committee that he was ordering a pause in the "execution" of the deal. Just a day prior to this hammer-blow, Boeing staff had already been stunned by the sudden resignation of their enigmatic group Chief Executive, Phil Condit. But the USAF deal has been suspended because Boeing fired its chief financial officer, Mike Sears, for discussing potential employment with the USAF's head of procurement for the deal, Darleen Druyun. Ms. Druyun quickly joined

Huge anti-arms success in N.Ireland

A special meeting of Derry City Council has passed a motion opposing the city's participation in the international arms trade.

The world's largest missile manufacturer, US firm Raytheon, set up a site in the city a couple of years ago following intensive lobbying by the SDLP leader at the time, Nobel peace prize laureate, John Hume. Hume argued that the city needed investment and that the Derry plant would not get involved in any military manufacturing.

But critics found that the company, which makes the legendary Tomahawk cruise missile back in the US, was developing military software in Derry called I-Orion to enhance its weapons designs.

A campaign group quickly grew to counter the controversy. The Foyle Ethical Investment Campaign (FEIC) inspired local councillors to pass a motion seeking clarification of Raytheon's activities in the area and signed up the city to a ban on becoming involved in international arms trading.

historic decision, FEIC activists took part in a vigil outside Derry's Guildhall. They included prominent backers: Patricia McKenna, an Irish Republic

Green MEP; Church of Ireland cleric, the Rev Brian Smeaton; Bloody Sunday author and eyewitness, Don Mullan, and the actor and writer Donal O'Kelly.

Celebrating afterwards, Peter Doran of FEIC, said: "It is as much as we could have hoped for and is probably unprecedented for a city to formally reject the arms trade as a source of jobs creation." He added: "We obviously hope that this will inspire people, not just in Ireland but around the world."

Elsewhere in N. Ireland

Activists for the Belfast and Lisburn Ethical Investment Campaign staged a protest outside Belfast City Hall on 7 January. Castlereagh Council and several media offices were also the site of demonstrations against Thales Air Defence company being located in the city. Thales Air Defence (formerly Shorts Brothers in Belfast), who design, upgrade, manufacture and export advanced missile systems, were handed a letter from the protesters calling on the company to cease military production and develop more ethical wares.

> (PA News, 7/1/2004) To contact the Foyle Ethical Investment Campaign contact Angela Hegarty on 077 106 207 96.

As councillors discussed their



Boeing – but has also now been sacked by the company. Ms. Druyun is also facing investigations by the Pentagon that she sold sensitive commercial data to rival European company, Airbus, which is trying to enter the lucrative US military aerospace market.

(The Guardian, 3/12/2003)

Vlad the Impaler's African mission

Amnesty International has asked the Slovakian government to stop exporting weapons to Uganda because of continued human rights violations and the African country's role in exacerbating civil war in neighbouring Congo (DRC) through arms shipments. Slovakia sold nine cannons and six rocket launchers to Uganda in 2002, while Uganda's army is providing assistance to four guerrilla groups in DRC. An estimated 4 million people have been killed in the DRC's civil war since conflict last broke in 1998. Uganda is one of the world's poorest countries, where the average annual income is equivalent to around £800 per year. But it is the third largest arms importer on the continent after South Africa and Nigeria, spending between \$100m and \$140m on weapons every year.

But AI's request has already been undermined. Just days later, Moscow signed a military protocol with Uganda enabling the country to "make contacts with producers and receive high-quality military hardware." Former Eastern bloc firms have made substantial in-roads into the continent during the past few years. Recently, Belarus sold 90 T-55 tanks to Ethiopia; Kazakhstan provided eight

122mm artillery pieces to Angola; and Ukraine sold 14 helicopters, 32 combat vehicles and 27 tanks to Algeria in the late 1990s. Russia arms Angola, Ethiopia, Cameroon, Congo, Nigeria, Tanzania and Zambia and aims to build regional centres to repair Russian weaponry in Algeria, Libya, Ethiopia and South Africa. And how do the citizens of Africa pay for these fine acquisitions? According to Russian security journal NVO: "Russia proposes alternative and flexible payment schemes, taking into account specific features of the region. For instance, Russia is prepared to issue short-term credits, take African goods (diamonds, wood, cotton, palm-oil, coffee, and more) and create joint-ventures in Africa." How thoughtful of them. (Slovak Spectator, 1/12/2003; Nezavisimoe Voennoe Obozrenie, No. 43, 5–18/12/ 2003)

Fermons Eurosatory 2004!

Paris-Nord Villepinte, 14-18 June 2004 The international Exhibition for Land and Land Air-Defence is the largest arms fair in Europe (and the world, claim its French MoD patrons) this year and has been described by CAAT activists in the past as the "DSEi of France". The arms bazaar draws protesters to France every two years to oppose both buyers and sellers. At the last Eurosatory in 2002, arms companies from India, Israel, Singapore, Thailand, United Arab Emirates, South Africa and Tunisia joined traditional suppliers from Europe (such as BAE Systems), the US and Brazil. Overall 39 national delegations exhibited and 122 countries officially attended.

Marketing material for journalists told

this year's potential attendees: "The year [2003] has seen military campaigns around the world and key developments in European defence and security policy, thus emphasising Eurosatory 2004's international and economic relevance." Well, all the more reason to join us there then!

The Eurosatory media relations service (for press passes) can be contacted at: Eurosatory 2004, Trimedia Communications, 10 Rue de la Pepiniere, 75008 Paris Tel: 00+33 (0) 1 55 30 70 90 or email: infocorn@trimedia.fr

For anti-arms activists wishing to attend Eurosatory protests email action@caat.demon.co.uk or phone the office on 020 7281 0297.



Farnborough Air Show

Hampshire, 19–25 July 2004

International 'jet-setter' campaigners (or those that reject the aviation industry and travel alternatively!) will be glad to know that within the space of a month they can travel from protests outside a Paris arms fair to the benign sounding Farnborough "Air Show". What a wonderful summer anti-arms trade activists are facing!

Farnborough is not just a civil and military aircraft show but is an exhibition teeming with missiles and military delegations. For instance, at Farnborough 2002, of the 79 aircraft from 14 countries used in displays, 40 (the majority) were military planes. 1,260 exhibitors from 32 countries attended and over \$9bn of business was signed and sealed at the UK's most famous biennial "air show". Raytheon (the world's largest missile exporter and manufacturer of the Tomahawk cruise missile), Lockheed Martin (producer of F-16 jets and air-toground Hellfire missiles - used notoriously and repeatedly against Palestinian targets by Israel during the latest uprisings), BAE Systems and their small arms and artillery division, Royal Ordnance and MBDA (Europe's largest missile manufacturer) will be just a few of the world's largest arms

CAAT Action Network – get involved

Did you take part in the Shut DSEi protests and want to get involved in opposing another arms fair?

Has reading *CAAT News* motivated you to go out and oppose the arms trade?

Do you have ideas for how CAAT could make an impact through non-violent direct action?

Then this is your chance!

CAAT's Action Network needs volunteers to get involved in protests, vigils and direct action during 2004.

We are focussing our attention on three arms trade events:

- BAE Systems Annual General Meeting (AGM), London – 5 May
- Eurosatory arms fair, Paris 14-18 June
- Farnborough arms fair 19-25 July

We need volunteers to:

- think creatively about how we can make an impact at these events
- help with planning and organisation
- participate in public demonstrations and vigils
- take non-violent direct action
- attend the AGM and ask difficult questions

It doesn't matter whether you are a veteran activist or have never so much as picked up a placard; if you want to get involved, we want to hear from you. Email us at action@caat.demon.co.uk or call us on 020 7281 0297.

companies with displays and pavilions.

For anti-arms activists wishing to attend the Farnborough protests contact: action@caat.demon.co.uk or phone the office on 020 7281 0297. *For more information on Farnborough or to attend as an accredited journalist go to:* www.farnborough.com

Clean Investment Campaign 2004

The shareholders

CAAT's investigation of some of the less obvious financial backers of the arms trade is just around the corner. At the end of March, CAAT will be publishing its research into many of the organisations that own shares in BAE Systems, Alvis, GKN and friends. The information focuses on organisations that CAAT supporters can (or should be able to) influence, such as local authorities, where nearly everyone has rights as a council taxpayer. Other categories include religious organisations, charities, trade unions and universities.

CAAT's supporters

The campaign is popular with the press and the CAAT office does its best to raise the issue nationally. However, it is often possible for CAAT supporters to reach many more people at a local level and call more effectively for organisations they are involved with to sell their arms company shares.

Engagement

This is an area of real concern to CAAT and a main theme for this year's launch. 'Engagement' is where shareholders (or, more commonly, investment managers) enter into dialogue with a company to persuade it to commit to, and implement, improved practices. This can be an important part of an ethical investment policy but is toothless unless the sanction of disinvestment is available should a company fail to respond. Unfortunately, the toothless variety of engagement is becoming a widespread excuse for Socially Responsible Investment. Many people (from individual investors to charity trustees and local councillors) are being sold investment policies as Socially Responsible even if they feature only engagement and have NO impact on the shares held.

A key task for CAAT is to inform those involved in investment policy decisionmaking to let them know that a genuinely socially responsible investment policy CAN and MUST EXCLUDE the major arms producing companies.

Obtaining the shareholding figures and more information

If you would like last year's campaign pack and shareholding figures, you can find them at www.caat.org.uk/campaigns/ clean-investment-2003/cic.php or contact the office for a paper copy. This year's figures will be placed on the website as soon as the campaign is launched and will be highlighted on the front page of the site.

Will Self Competition Winners

Author and journalist Will Self offered one lucky CAAT supporter the chance to have their name used for a character in his next novel, *The Book of Dave*. Congratulations to Julie Blunt, who won first prize and will see her name in print when the novel is published in 2005.

Three runners up, Teresa Mitchell, Robert Cummins and Iona Lister, will each receive a signed copy of the book. The competition raised £210 for CAAT – thank you to everyone who entered.

MUSICIANS AGAINST NUCLEAR ARMS (M A N A) presents a CONCERT FOR PEACE with MARK PADMORE tenor **ROGER VIGNOLES** piano THE JOHNSTON STRING OUARTET SATURDAY 7 FEBRUARY 2004 REGENT HALL 7.30pm The Salvation Army 275 Oxford Street LONDON W1 A short distance from Oxford Circus tube, on the south side of Oxford Street, going in the direction of Marble Arch, opposite BhS Quartet Opus 29 in A minor "Rosamunde"....Schubert Who Are These Children?.....Benjamin Britten The Heart's Assurance......Michael Tippett On Wenlock Edge......Ralph Vaughan Williams Guest Speaker: Kate Hudson Chair of the Campaign for Nuclear Disarmament dele and return (bis form for thekets ro MANA Administration, 71 Greenfield Gardons, London NW2 1HU Please send me Tickets: @ £10.00 @ £8.00 concessionary unwaged for the Concert for Peace at Regent Hall, Oxford Stroot W1 on Saturday 7 February 2004 NAME...... PHONE...... Please find enclosed a cheque for £...... (payable to MANA) and a stamped, self-addressed envelope 7

Brothers in arms: BAE Systems and New Labour

By Emma Mayhew, a fourth year PhD candidate at Bristol University and member of CAAT's Steering Committee

The government spends up to an estimated £990m of taxpayers' money every year, possibly more, promoting and subsidising arms exports. To justify this expense, New Labour keeps talking about exports maintaining a significant number of jobs, about the savings they bring to MoD procurement costs, about how exports help support a 'British defence industry' and their contribution to international stability. But when each of these claims, and others, are subject to scrutiny I have found that either the government has failed to prove its case or that the case is simply unsustainable.

So if it's not about what's good for Britain, why does New Labour continue to support arms exports? One way of answering this is to look at the relationship between New Labour and UKbased military giant BAE Systems, formerly British Aerospace. A brief survey of just some of the links between BAE and Labour MPs, Labour Peers, party funding and the MoD suggests that the two are deeply interconnected.

MPs and Peers linked to BAE

MPs enjoying BAE hospitality include former Junior Defence Minister John Reid who used a BAE-supplied helicopter to fly to a shipyard in Glasgow in January 2001. He was upgraded to a private jet belonging to the Chairman of BAE for the return journey to Northolt. Barry Jones, then Labour MP for the constituency covering BAE's Broughton factory, visited Toulouse and, accompanied by his wife, the Royal Opera House as guests of BAE. There are a number of other Labour MPs enjoying these

ROM courses at a base in Westminster.

Unfortunately the training offered by BAE at Westminster doesn't include any business courses, which may have been of use to Labour Peer, Lord Simpson of Dunkeld. He is best known for enjoying more than £1 million p/a as Chief Executive of GEC while its shareholders enjoyed a 96 per cent fall in the value of their shares during his reign from 1996 to 2001. Simpson is less well known as having been Deputy Chief Executive of British Aerospace (1992–1994), Director (1990–1994) and as once being listed as one of the ten most globally influential people in the 'defence' industry. Called an "impeccable Blairite" whose "support was eagerly sought and gladly given to New Labour at the election" Simpson was one of 58 Chairs/CEOs who wrote to The Times in May 2001 urging all business leaders to support the Labour Party.

Sitting alongside Simpson is Labour Peer and party donor Lord Taylor of Blackburn. A consultant to BAE, Blackburn appears to have a close relationship to Jack Straw, contributing more than 25% of the Foreign Secretary's election expenses during 2001.

But much closer to the heart of BAE was Lord Clive Hollick. His five year Directorship of British Aerospace ended in 1997 just as he became a Special Advisor to Margaret Beckett at the DTI and thereafter to Peter Mandelson. By this time Hollick was allegedly an "important behind the scenes player in the Labour hierarchy" whose influence in Downing Street is reportedly blamed for undermining Robin Cook's attempt to implement the tighter regulation of arms exports. This allowed the late 1990s export of 16 BAE Hawk-209's, 50 Alvis armored vehicles and 8 Tactica water canons to Indonesia despite continuing genocide in East Timor and the potential for their use in Aceh and West Papua.

BAE has consistently helped out those working at the MoD by offering them jobs, sometimes even lending the MoD their own staff... for free

kinds of benefits but all have an interest in BAE's spending habits since the members of the House reportedly held an undisclosed amount of BAE shares in their pension fund until at least June 2001. Their value went up after NATO began bombing Serbia in 1999 and after 9/11.

MoD activities in these conflicts, and more generally, are scrutinised by the Defence Select Committee. Until Autumn 2003, the group included Conservative MP Patrick Mercer. His secretary/research assistant, Caroline Flynn-MacLeod, was head of Parliamentary Affairs and Senior Business Analyst at GEC (now owned by BAE) from 1997 to 1999. She is currently a partner in the government relations company Terrington Management whose clients include BAE. Terrington's other partner is Geoffrey Pattie, former Tory Minister for Defence Procurement and former Chair of Marconi Electronics (1990–1999), now owned by BAE.

Given Caroline Flynn-MacLeod's background she probably has no need for the IT training offered to the staff of all MPs paid for, in part, by BAE. 'Learning for Work in the Parliamentary Workplace' involves Parliamentary staff working through CD-

BAe's contribution to the New Labour project

Hollick reportedly donated between £25,000 and £50,000 himself to the party sometime during 1997, a year which he ended as a board member of BAE. But it was his job running the party's Business Relations Unit at Millbank from 1996 which allowed him to become one of the very central players in bringing corporate money flowing into Labour's current account at a time when the party's overdraft had hit £4.5 million. BAE have chipped in by spending anything above £5,000 sponsoring "activity and commercial marketing" in 1998, 1999 and 2000. It has sponsored a whole series of conference fringe meetings and reportedly spent $\pm 12m$ on the mind zone at the millennium dome when Labour really needed to attract corporate money to the project.

The revolving door in full swing

But BAE's goodwill has gone much further. Such is their generosity that BAE has consistently helped out those working at the MoD by offering them jobs, sometimes even lending the MoD



UK MoD-sponsor ed demo at an arms bazaar in A mman, Jordan, 2002 Photo: CAAT

their own staff... for free. Michael Por tillo, former Defence Secretary (1995-1997), now a Non-Executive Director of BAE, joins a long line of illustrious figures, especially long in the case of the heads of DESO, the MoD's arms export promotion department. It has almost always seconded its head from and delivered them back to military industry employment, particularly BAE employment. James Blyth ran DESO from 1981 to 1985 before becoming a Non-Executive Director of British Aerospace (1990-1994). Colin Chandler was Group Marketing Director at British Aerospace until he ran DESO (1985–1989) during which time more than half his salary was paid for by British Aerospace. Now, to avoid any conflict of interest with the 'defence' industry, the head of DESO's salary is topped up by the Defence Industries Council, a Council made up of senior military company executives and their trade associations. After Charles Masefield ran DESO (1994–1998) he became Marketing Director and Vice-Chair of BAE. In the biography that used to be posted on the BAE Systems website, Masefield boasted of "direct access to Major and Blair" and "close personal relationships with prestigious Prime Ministers and royal families around the world." The existing head, Alan Garwood, had worked for BAE since 1977, becoming Deputy Chief Executive of BAE's Matra BAe Dynamics in 1998 just before it merged with two other companies to become MBDA missile systems, of which BAe owns a third.

Outside DESO, at least 17 senior MoD staff have moved into employment with arms-producing companies, five to BAE, since Labour came to power in 1997. They include former Chief of Defence Staff, Lord Inge, now a consultant to BAE Systems; former MoD Chief Scientific Advisor, David D avies, now a Member of the Strategy Board at BAE Virtual University; and

former Chief of Staff, RAF Strike Command Graeme Robertson, who became Military Adviser to British Aerospace.

Also whisked from BAE by June 2002 were at least eight staff working on secondment for free at the MoD. Since April 2000 13 of 29 secondees in the department were from BAE, some working at the MoD for up to three years. In reverse, from the six senior MoD staff seconded to military industry, two went to work at BAE, one for two years.

It is difficult to see how BAE will gain no advantage from these and many more activities including its work in government task forces, lobbying groups, think tanks and education funding. After all, why bother with all this if it is of no value?

Conclusion

My research has shown that if arms exports are about pursuing British interests as the government claims, then the government's case just doesn't hold up. At the same time a picture emerges of both an overly close arms industry - New Labour relationship and of an overly high political profile for the arms industry in the environment where the government operates. It is this picture which, in my view, provides a better way to understand why export support continues, a picture which suggests that armsproducing companies and the government are brothers in arms.

For further information and references see Emma Mayhew, 'A Dead Giveaway: A critical analysis of New Labour's rationales for supporting military exports' and 'Brothers in Arms: The close relationship between New Labour and arms-producing companies' at www.naspir.org



Indonesian war criminal stands for presidency

An indicted war criminal has become the frontrunner in this year's Indonesian presidential election race in July. Wiranto, an Indonesian general, is one of eight senior officers charged with directing crimes against humanity by a special international panel in Dili, East Timor. But he is now also the official candidate for Golkar, the party of genocidal General Suharto, who ruled the archipelago with an iron fist and machine-gun diplomacy from the 1960s until 1999. East Timor authorities judge Wiranto's behaviour in the same vein as his political Godfather. In the wake of Indonesia's violent exit from the former Portuguese colony in 1999, and under Wiranto's watch, at least 1,000 East Timorese were killed and 200,000

forced across the border to West Timor.

UN-backed panels in Dili have so far indicted 369 people, including Wiranto, for crimes against humanity, of which 281 remain at large in Indonesia. However, in order to arrest Wiranto if he travels abroad, a warrant first needs to be issued by UN international judges or Interpol. UN judges have so far refused to issue a warrant for Wiranto and other senior officers involved. But after East Timor's chief-prosecutor appealed, the UNfunded judges have recently issued a warrant for a key Wiranto henchman. East Timor's chief prosecutor claims that the UN's reluctance to issue a warrant for Wiranto is due to their mandate ending in East Timor this May. But the UN is also

Those "spying" allegations

As readers of the last *CAAT News* will know, on 28 September 2003 the *Sunday Times* alleged that a private security company – Threat Response International, headed by Evelyn LeChene – had been spying on CAAT for BAE Systems. Information was gathered on many CAAT activists and even those giving financial support. At one point, CAAT's entire database was apparently copied. This included details of donations and the bank accounts of those giving by standing order. Correspondence, particularly with MPs, was also sent on to BAE.

Office security measures are being looked at. However, there is a limit to what can be done when someone is absolutely determined to get information in this way. We also need to be mindful of CAAT's open ethos and CAAT cannot be closed and paranoid as a result of this.

The Sunday Times article further said

that one of Threat Response International's Board members is Barrie Gane, identified in the media as a former deputy head of M16. This raises the question as to whether the security services, as well as BAE Systems, were involved.

One positive step that could happen would be for a thorough investigation by the Information Commissioner, who enforces the Data Protection Act as well as the Freedom of Information Act and reports directly to the UK parliament.

Take action

• Please write to your MP, House of Commons, London SW1A 0AA urging her or him to press the Information Commissioner to investigate the allegations made in the *Sunday Times* article. impaled by its innate, often stifling, sense of diplomacy. Some East Timorese political leaders, such as the foreign minister, Jose Ramos Horta, and President Xanana Gusamo, oppose Wiranto's indictment because it could harm the new relationship their country is trying build with Indonesia. More likely to deliver justice for East Timor, is the new state's recent membership of Interpol, and the possibility that Wiranto would be arrested using an Interpol warrant during a visit to the

US or Europe. (Sydney Morning Herald, 14/1/2004)

Arms to Indonesia, by Nicholas Gilby, is available to buy from the office for £3.00



Supporter Representatives on CAAT Steering Committee

CAAT's ultimate decision-making body, the Steering Committee, is made up of representatives of the Sponsoring Organisations (e.g. CND, Quaker Peace and Social Witness) and Special Interest Groups, such as Christians, as well as paid staff. They are joined by eight elected Supporter Representatives and, for the first time since 1997, more people stood to serve in 2004 and 2005 than there were places. A total of eleven people were nominated. Four were elected for the full two-year terms (2004 and 2005):

- Janet Williamson 213 votes
- Sam Perlo-Freeman 208
- Emma Mayhew 191
- Jim Footner 165.

Two others will sit on the Steering Committee in 2004 to fill vacant places:

- Nick Gilby 162 votes
- Gideon Burrows 150. They, along with the two sitting Supporter Representatives, Dorothy Forbes and Mike Kavanagh, are eligible to stand again for a full two-year term.

Courts to decide if continuing arms sales to Indonesia are legal

On Human Rights Day, 10th December, a human rights activist from the Aceh region of Indonesia issued legal proceedings against the UK government through his solicitors, Leigh Day & Co. Aguswandi, who has been granted refugee status in the UK, is being backed by CAAT and by TAPOL – the Indonesia human rights campaign.

Aceh, at the northern tip of Sumatra, has been in conflict for over 25 years because of the fight between proindependence group, Free Aceh Movement (GAM), and the Indonesian authorities. The situation declined dramatically in May 2003 when the Indonesia military started an offensive in the region and martial law was declared. According to the police and military, by September over 1,300 people had been killed, including hundreds of civilians. Independent human rights monitors have been refused access and the area is now effectively closed to the outside world.

Aguswandi's case challenges the UK government's continued provision of export licences for Indonesia. Hawk aircraft made by BAE Systems and Scorpion armoured vehicles manufactured by Alvisv are currently being used in Aceh.

The UK government says it considers



A peaceful rally in protest against the imposition of martial law in Aceh

applications for export licences against the Consolidated EU and National Arms Export Licensing Criteria. These clearly state that export licences should not be issued if "there is a clear risk that the proposed export might be used for internal repression". It would seem that the continued licensing of military exports bound for Indonesia is absolutely contrary to this. The only explanation would appear to be that, once again, the UK government puts its friends in military industry before the lives of those suffering at the hands of Indonesia's security forces.

The government has until the end of January to deliver its defence. After that the court will take an initial decision on whether to allow the Judicial Review of the government's adherence to its stated policy.

CAAT is looking for a **Media Co-ordinator**

Part-time (3 days per week) Salary £21,240 pa (pro rata)

For further information visit www.caat.org.uk or send an A4 46p SAE: CAAT, 11 Goodwin Street, London N4 3HQ Closing date: Ist March 2004

Christian Network 2004

The CAAT Christian Network would like to invite Christian supporters of CAAT to a special meeting to discuss its work and reflect together on how we can encourage Church involvement to end the arms trade. All are welcome.

The meeting will take place at 6.30pm at St Pancras Church, opposite Euston Station, on Wednesday 24th March.

For more details contact 020 7281 0297 or email: christian@caat.demon.co.uk

Beginners guide to the glo

For years now we've always had positive feedback about the quality of *CAAT News* and the content of its information, but what about those that are new to the arms trade?

We all know instinctively that it wrong to sell weapons that might lengthen wars, entrench poverty, assist illegal territorial claims or those who abuse human rights. But who are the culprits?

We look at the manufacturers, sellers and buyers in our brief guide to the world's arms trade.

llustration by Alain Prigent

Table 1: Arms deliveries – leading suppliers in 2002

(current US\$ billions)

1	USA	10.2
2	UK	4.7
3	Russia	3.1
4	France	1.8
5	China	0.8
6	Ukraine	0.6
7	Germany	0.5
8	Italy	0.4
9	Israel	0.3
10	Brazil	0.2

(Source: International Institute for Strategic Studies (IISS), The Military Balance 2003-04)

Editor's note: deliveries refer to the net worth of weapons systems actually delivered by a supplier, in contrast to calculating the value of signed contracts (arms transfer agreements).



Table 2: Arms deliveries to developing nations: leading recipients in 2002

(current US\$ billions)

1	Saudi Arabia	5.2
2	Egypt	2.1
3	Kuwait	1.3
4	China	1.2
5	Taiwan	1.1
6	UAE	0.9
7	India	0.9
8	Israel	0.7
9	South Korea	0.6
10	Pakistan	0.6



Table 3: Value of total global arms trade deliveries between 1995–

2002 (current US\$ billions)

1995	44.5
1996	43.5
1997	48.9
1998	42.6
1999	42.8
2000	35.6
2001	27
2002	25.4

(Source: IISS, The Military Balance 2003–04)

bal arms trade

Useful websites and information sources to track developments in the international arms trade

http://defence-data.com

Defence Systems Daily: Internet based arms and aerospace daily news reports with free coverage of every region of the world.

http://www.fas.org/asmp

Federation of American Scientists (FAS): FAS's 'Arms Sales Monitoring Project' runs one of the leading internet sites with descriptions, costs and pictures of weapons systems, and expert analysis of the trade trouble-spots.

http://www.iansa.org

International Action Network on Small Arms Transfers (IANSA): A network to which CAAT belong, who campaign to prevent the proliferation and misuse of small arms. Information, diary and local contacts provided.

http://janes.com/defence/

Jane's Defence Weekly: You can buy Jane's Defence Weekly in magazine format, which breaks down arms sales by the regions of the world. Alternatively, visit their subscription-based website.

http://www.sipri.se

Stockholm International Peace Research Institute (SIPRI): SIPRI researches international peace and security issues and publishes authoritative arms sales information either through their 'Arms Transfers Project' available on the website or by reading the famous red SIPRI yearbook.

Table 4: Top ten arms companies

Rank		HQ	Arms sales (\$US billions)
1	Lockheed Martin	USA	18.0
2	Boeing	USA	17.0
3	Raytheon	USA	14.0
4	BAE Systems	UK	13.2
5	General Dynamics	USA	6.5
6	Northrop Grumman	USA	5.6
7	EADS	France	4.6
8	Thales	France	4.3
9	United Technologies	USA	4.1
10	TRW	USA	4.0

(Source: Defense News Top 100, 30 July 2001)

Table 5: Top small arms sellers

Rank	Country	Value of sales (US\$ millions)
1	USA	Over 1,200
2	Germany	384
3	Russia	100–150
4	Brazil	100–150
5	Austria	60
6	Czech Rep.	59
7	UK	44
8	South Korea	43
9	Sweden	40
10	Poland	40

(Source: Small Arms Survey 2001)

And, finally, a stonking good read for your next holiday is Anthony Sampson's *The Arms Bazaar in the Nineties: From Krupp to Saddam*, (London, Coronet Books, 1991). A refreshingly-light and engaging read, Sampson tells of the gruesome personalities, politicians and clandestine state and corporate dealings throughout the entire history of the arms trade, from the days of the 'dynamite King', Alfr ed Nobel, up to the \$70bn arming of Iraqi dictator Saddam Hussein.



Fundraising

Happy New Year! The New Year is a time for planning and preparation in the CAAT Office, as we embark on the next twelve months of campaigning. It also marks the start of our financial year and we have a challenge ahead if we are to raise enough money to complete all the work we have planned for 2004.

Thank you all very much for giving your time and money in 2003; CAAT simply could not exist without you. We work very hard to minimise costs and stretch every donation as far as possible. In fact, it is one of CAAT's great strengths that we achieve so much on such a tight budget. However, we still need to raise nearly £280,000 this year and as ever it will be you, our supporters, who we turn to.

If each person who reads *CAAT News* makes a New Year's Resolution to help our fundraising effort – perhaps by setting up a standing order, doing some local group fundraising, or taking part in a sponsored event – we will be well on the way to paying for this year's campaign. Whatever you do, thank you, it really does make a difference.

New York Marathon Success

I am delighted to announce that the total raised by Edward Bradley in his sponsored New York Marathon run was a magnificent £2,675.70! Thank you so much to everyone who sent in a donation. Our special thanks go, of course, to Edward for the time and energy he put into completing his first Marathon and for using this great challenge as an opportunity to support CAAT.

Peaceful Revolutions

Friday 12^{th} December was certainly a night to remember, when the Brixton Telegraph hosted 'Peaceful Revolutions', the Matrix-themed club night organised by Maz and the Seaside Tribe, which raised £120 towards CAAT's work. The Telegraph was packed with people and beautifully decorated (see pictures below) with fairy lights, flowers, drapes – and of course a CAAT banner!

The event was organised to raise awareness for CAAT among the club's audience, as well as to raise money. Performers and participants ranged from DJs to face-painters, from belly-dancers to saxophonists and from the Taiku Meantime drummers to the Rhythms of Resistance samba band. There isn't space here to mention all the people who gave their time and energy to making this such an amazing evening, but our thanks go to you all and particularly to Maz, who was the inspiration and driving force behind the event.

Workers Beer Company

Summer seems very distant when the evenings are still so dark and cold, but if you are a fan of festivals then it's time to think about whether you would like to volunteer for CAAT in this summer's Workers Beer scheme.

Every year the Workers Beer Company runs beer tents at the major music festivals, including those in Glastonbury, Reading and Leeds. Charities and voluntary organisations such as CAAT provide volunteers to work in the tents and the wages earned by each person are donated to the charity or organisation they represent.

As a CAAT volunteer you would get free entry to the festival, secure camping with private showers and toilets, as well as free travel to and from the Festival. You would work six hours per day, leaving you with plenty of time to watch your favourite bands and enjoy the atmosphere. If you are interested in volunteering, please do let me know as soon as possible. I will add you to my mailing list and contact you when I get the list of festivals from the Worker's Beer Company.

That's all from me, but please do get in touch if you have any fundraising ideas or plans for 2004. I look forward to hearing from you!

Kathryn Busby



Scenes from the 'Peaceful Resolutions' club night



The campaign thrives on your participation. Below is how you can get involved and stop the arms trade with CAAT

Local action

If you are able or would like to put leaflets or *CAAT News* out into local libraries or health food shops, or give them out at meetings, hold a stall at a local event and require materials, join a local group or become a local contact, get in touch with Philip Barrett.

Email philip@caat.demon.co.uk tel 020 7281 0297

Letter-writing

You can never write too many letters on behalf of CAAT. Most MPs can be reached at the House of Commons address ([Your MP], House of Commons, Westminster, London SW1A OAA). You can also make an appointment to see your MP in person at their surgery. Contact Ann Feltham if you need advice on this.

Email ann@caat.demon.co.uk tel 020 7281 0297

Demonstrate!

CAAT demonstrations are peaceful, inclusive and fun. The more people who come, the more effective they are. Have a look at the campaigns diary on the back page, or contact the office for more information.

Email enquiries@caat.demon.co.uk tel 020 7281 0297

Make a donation

CAAT always needs your financial support. If you are able to make a donation, please send a cheque (payable to CAAT) now, to: **CAAT, Freepost, LON6486, London N4 3BR**. Alternatively, you can use the form on the back page to set up a standing order, giving CAAT an urgently needed regular income.

Email kathryn@caat.demon.co.uk tel 020 7281 0297

Materials CAAT publications available from the office

CAAT postcard

Available for distribution locally Following the Iraq conflict, CAAT has been very successful in highlighting the fact that the UK armed Saddam in the first place. Our campaign postcard outlines six questions about the arms trade.

Thousands of these post-cards have been distributed at demonstrations and other events against the war, and have helped CAAT to gain many new supporters.

Now we're asking CAAT supporters to help distribute these cards locally. Could you take 100 or more to hand out at relevant local events? They're free from the office, but we estimate it costs about £4.00 in printing, postage and packing to produce 100. If you can make a donation, it would help us to produce more campaign materials.

Good luck, and thanks for your help increasing support for the campaign.

Report DSEi 2003: international arms market

Available in print (£3.00) and online at www.caat.org.uk

During protests against Defence Systems Equipment International (DSEi) at the beginning of September, the event's organisers began putting out the line to journalists that DSEi was not an arms fair. Even the show's daily newsletter on Wednesday 13th September made this claim, while illustrating the article with pictures of fighter aircraft, a military communications sytem and a warship.

Thanks to months of dedicated research, CAAT was able to quickly and easily dismiss the claim for the spin it was. On the eve of DSEi, CAAT published our ground-breaking report on the arms fair illustrating in detail some of the worst arms companies selling weapons at the fair, and highlighting concerns about some of the arms buyers. Hundreds of journalists were either sent the report, or accessed it over the web – and *The Guardian, The Mirror* and the BBC all featured data from it.

With entries on more than 25 arms companies, briefings on more than 10 arms buying countries and data on issues from cluster munitions to corruption, landmines to globalization, this DSEi report will now serve as a vital background document to inform the work of all arms trade campaigners, or to simply to help build your knowledge on the trade.



Campaigns diary

5 May BAE Systems AGM
14–18 June Eurosatory, Paris-Nord, Villepinte, France
19–25 July Farnborough arms fair



11 Goodwin Street, London N4 3HQ tel 020-7281 0297 fax 020-7281 4369 email enquiries@caat.demon.co.uk web www.caat.org.uk

See www.caat.org.uk for more information on arms trade events throughout the year



Subscription is voluntary, but we need your support. We suggest £22 waged,

£12 low income and **£30 for groups**. Please give more if you are able, or less if not.

£12 low	income and £30 for groups. Please give more if you are able, or less if not.						
Name		arms trade					
Address		Campaign BAE Systems spies on CAAT activists					
	Postcode						
Tel	Email						
	enclose a cheque/postal order for £						
Please give by standing order. It helps CAAT plan ahead more effectively and costs less to administer, so more money goes directly to campaigning. Just £3 a month makes a real difference.							

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To The Manager of			Bank	Bank Address			
Postcode	Sort code	Account	t No.				
Please pay: The Co-operative Bank Plc, 1 Islington High Street, London, N1 9TR (sort code 08 90 33) for the account of CAMPAIGN AGAINST ARMS TRADE							
(account number 5050	3544) the sum of	pounds (£	£) starting on		and monthly/annually thereafter.	
Signed							
L						CAAT use o	nly

Fill in your name and address with the bankers order and return the whole form to CAAT, not your bank. Please make cheques payable to CAAT and send with this form to: CAAT, Freepost, LON6486, London N4 3BR. If you DO NOT wish to receive CAAT News, please tick here \Box



CAA