

Dieter Bock: front man for the Stasi?

Secret documents from East German files link the Lonrho conglomerate with the former East German secret service. William Engdahl reports.

In March, Britain's controversial Tiny Rowland raised eyebrows when he sold the largest part of his ownership of London's Lonrho, Ltd. conglomerate. The man who bought it and is now playing a major role, beside Rowland, in Lonrho, is an all but unknown German businessman, Dieter Bock. In announcing his selection of Bock as his heir apparent at Lonrho, the 75-year-old Rowland made a most curious statement, passed over by most at the time. Rowland cited as among Bock's main attractions the fact that Bock had "marvellous business connections, especially in eastern Europe."

Bock, a taciturn, 53-year-old lawyer turned international business mogul, succeeded in his curious bid to take a major share in the troubled Lonrho group, leaving an even larger question mark about the actual state of affairs at the controversial Lonrho. According to what could be learned from detailed investigations among German businessmen, Bock is indeed quite a "mystery man" in all respects.

Bock's firm, Advanta, was started in 1985. Then, according to the German business weekly *Wirtschafts Woche*, "suddenly out of the blue, Bock emerges with the liquidity to make a surprise purchase of some 10% of the shares of the large German Holzmann AG construction group, at a time no one in Germany really knew who he was." Bock also bought up 50% control of the luxury Berlin-based Kempinski Hotel Group.

There are more than a few suggestions floating around the business community in Frankfurt, as well as in Bonn, that Dieter Bock may be little more than a straw man for some dubious business interests which seek western vehicles to launder large amounts of funds from former communist areas of eastern Europe.

One German investigative journalist who had attempted to get a better picture of the elusive Bock told *EIR*, "I am convinced Bock is a straw man for elements of the old East German Stasi [East Germany's secret police] mafia. Western intelligence agencies have indications that a large capital flight out of East Germany and other East bloc states began around 1985, approximately the time Bock set up business at Advanta, with offshore ownership difficult to trace. Furthermore, Bock's investments are in precisely the areas known to be favored mafia targets for laundering large sums into legitimate enterprises, namely construction and luxury hotels."

According to a recent joint report from the German Criminal Police Association and the Italian SISMI intelligence

service, the former East Germany today is being flooded with illegal mafia money being laundered from sources such as Italian cocaine and heroin activities. As well, there has been ample documentation of former Stasi intelligence agents after 1989, selling their services to the "highest bidder." In short, there is more than a smattering of money laundering going on in the former East Germany and with various "safe haven" western banks. Most recently, according to one reliable report from Bonn, "money which was salted away since about the mid-1980s into secret Swiss accounts and such, when the top levels of the Stasi first realized their edifice was collapsing and rushed to get as much out as possible for future use, some of this money is rumored to be coming back into Poland and eastern Germany."

While firm proof of Bock's connection to former Stasi networks or other organized criminal enterprises is not available, his cited "excellent East European connections," his meteoric rise from an obscure Frankfurt lawyer and tax adviser to a reputed billionaire in less than seven years, and his unwillingness to be more forthcoming in the present situation with Rowland, provide grounds for U.K. stock market regulatory authorities and for Lonrho shareholders to at least give close scrutiny to what the Lonrho share deal is all about. Bock has refused all but the most perfunctory press interviews since he came into the London spotlight last December.

Lonrho's ties to East Germany

The Bock mystery takes on an added dimension when put into the context of official East German documents, copies of which have been obtained by *EIR*, regarding earlier Lonrho dealings with top officials of the communist regime. There is remarkable information contained in the Ministry for Foreign Trade files, specifically its Coordination Committee, or KoKo as it was known, as well as material contained in Stasi files. These documents are now being systematically reviewed by a committee of the German Parliament.

According to material made available to the London *Guardian* from such files, since at least the end of 1985, R.W. "Tiny" Rowland, Sir Edward du Cann, and other top people at Lonrho had been in business dealings with the infamous KoKo of Alexander Schalck-Golodkowski, known in Stasi circles as "Big Alex," not merely because of his 220-pound weight and his commanding size.

Comrade Schalck, a major general in the Stasi, was responsible for all foreign hard currency operations of East Germany. Through a complex web of front companies and bank accounts from Switzerland to Liechtenstein to then-West Germany and other places abroad, Schalck's job was to run the international business infrastructure which provided hard currency for the Stasi subversion operations.

Schalck's more profitable activities during his heyday between 1967 and 1989, until the fall of the Berlin Wall abruptly changed things, involved multibillion-dollar international arms smuggling, including for Col. Oliver North's Enterprise, as well as for Sweden's Karl Eric Schmitz, and for Belgian, Italian, West German, and other arms firms. Schalck's main vehicle for the deals was the East Berlin-based IMES Import-Export GmbH firm. According to German media reports, narcotics traffic was among the specialties of Schalck's KoKo. In 1982, communist dictator Erich Honecker awarded Schalck the Order of Karl Marx and, in 1984, the even more prestigious Great Star of the People's Friendship.

A remarkable business trip to London

According to the documents from Foreign Trade Ministry files dated January 1986 in *EIR*'s possession, Schalck's trusted emissary Dieter Uhlig was sent on a carefully prepared secret trip to London. Uhlig, who held the rank of colonel in the Stasi, spent Jan. 13-16 in London at the headquarters of Lonrho Ltd. Sitting at the table with Uhlig for three days of business negotiations, were Lonrho chairman Edward du Cann, R.W. Rowland, R.F. Dunlop, A.H. Ball, T.J. Robinson, R.E. Whitten, and Peter Youens.

The official Berlin report on the talks, dated Jan. 17, 1986 and signed by both Uhlig and his boss Schalck, was sent on to East German Deputy Foreign Trade Minister Claus Gaedt, for discussion with the East German communist leadership because of its importance.

Uhlig gave the following profile of several of the Lonrho representatives present. Du Cann was described as a "member of the Conservative Party in the House of Commons, a party leader who enjoys a very close relationship to the present British government, including to Prime Minister Thatcher." The report described Lonrho's A.H. Ball as a "member of the Conservative Party, scion of a political family, whose father was chief of MI-5 after the war until 1961." R.F. Dunlop is characterized as a "years-long companion of Rowland (over 30 years), in practice, his right hand." Rowland is described: "As managing director, he is the dominating personality in the board, who determines policy in business dealings."

All of Africa discussed

The discussions between Lonrho and the East German communist regime covered virtually all of black Africa. A document appended to Schalck's confidential memo of Jan. 17, 1986 signed by Rowland, summarizes Lonrho's view of the negotiations. It is titled "Joint Memorandum of Discus-

sions in London Between Delegation from the Ministry of Foreign Trade, G.D.R. [East Germany] and Lonrho."

In the memorandum, Rowland states, "The letter of 30th December 1985 from Deputy Minister of Foreign Trade of the G.D.R., Herr Gadt [sic] to Sir Edward du Cann served as a framework for the discussions. . . . It was agreed that Lonrho's senior representative in the following countries would make in the course of January 1986, direct contact with the Commercial Counselor of the G.D.R. Embassy and explain Lonrho's operations and explore potential areas of business. The countries concerned are: Angola, Ghana, Mexico, Mozambique, Nigeria, Tanzania, Uganda, Zambia, Zimbabwe."

According to German parliamentarian von Bülow, following the January 1986 London talks, "Rowland took Uhlig all over Africa in his business jet. What was it all about? We know that since about 1981-82 the old East German apparatus knew they were effectively bankrupt. They acted a lot like the old Nazis. When it was clear the war was lost, the Nazis began to get as much as they could and get it out of the country into various safe havens. Did Lonrho help the Stasi to launder these funds out of the G.D.R. under the guise of vast business negotiations across Africa and elsewhere? Our parliamentary committee interviewed Uhlig, who today sits in Berlin as a 'private businessman.' He refused any comment."

Among the deals discussed in the January 1986 London meeting between Uhlig and Lonrho:

- Lonrho informed Uhlig of plans to take a share of Chevron's exploration rights in Cabinda province in Angola. At the time, Chevron held 49% and the Angola regime 51%. Lonrho said it expected to buy the Chevron share. "After signing that deal with Chevron, reported Lonrho, its share would be further divided, notably among various African countries interested in a long-term oil supply from Angola. . . . During our talks, a proposal was advanced that the G.D.R. participate in the exploitation of this oil agreement," wrote Uhlig to his superiors in Berlin. Lonrho indicated that it was amenable to letting East Germany take up to half its expected Cabinda share.

- The parties discussed joint ventures in Zimbabwe including delivery of East German W-50 trucks "and special equipment for the Zimbabwe Army" in return for deliveries of raw materials including copper, nickel, and ferro-chrome. "Lonrho is interested. There exists the possibility of a later assembly for W-50 trucks in Lonrho's Zambezi Coach Works factory," Uhlig reported. "In London, it was agreed that Gen. Rex Nhongo, commander in chief of Zimbabwe's Army and Politburo member of ZANU/PF, would visit Berlin and Ludwigfelde and have direct dealings with IMES and the Trade Ministry in Berlin."

The negotiations over Libya

Among the more intriguing parts of the Lonrho-East German talks concerned Libya. Uhlig reported to his superiors

in Berlin: "During the negotiations with Lonrho on 14-15 January 1986 in London, Mr. Rowland put forward his connections with Dr. Ashraf Marwan. Dr. Ashraf Marwan is married to the daughter of President Nasser. Rowland indicated that under Sadat, [Marwan] was chief of Egyptian intelligence. In addition, he has a very close connection to Libyan revolution leader [Muammar] Qaddafi. . . . Rowland said Dr. Ashraf Marwan had access at all times to Qaddafi. It would be possible [for us] to solve certain problems through this means." Rowland reportedly told Uhlig that through Marwan, then living in London, East Germany would be able to enter into "certain business deals in Egypt."

Among the followup actions reported by Schalck and Uhlig in Berlin after the London talks, were to put in motion plans to put Marwan on an East German financial retainer, to explore "possible contracts in Egypt or Libya, for example, more W-50 trucks to the Egyptian Army."

Uhlig and the East German representatives were extremely interested in Rowland's connection with Iranian arms dealer Adnan Khashoggi. "Through the mediation of Mr. Rowland a meeting with Adnan Khashoggi took place," reported Uhlig. East Germany was especially interested in Khashoggi's ties to the Saudi royal house, to Jordan, Morocco, and Iraq. Khashoggi was invited to come to East Berlin for further talks at the end of February 1986. "He asked though, that we not stamp his passport because of Saudi laws forbidding visits to communist countries."

Among the items discussed with Khashoggi in Berlin were the financing of a tank repair facility in Peru, delivery of East German AKM rifles to the Peruvian Army, as well as "delivery of 400,000 Kalishnikov rifles, uniforms, and special equipment to the Jordanian Army."

Chevron and Sudan

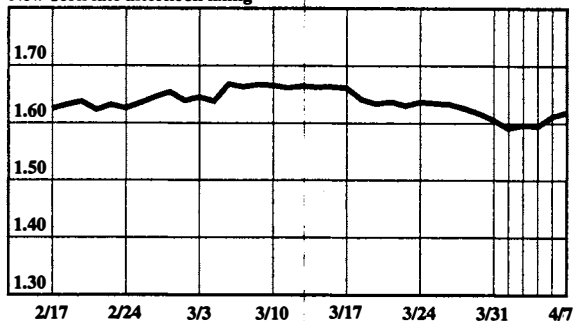
Uhlig added an interesting note regarding Rowland's dealings in Sudan: "Rowland sees Col. [John] Garang as the future President of Sudan. He stated the necessity to further assist Garang." Among the reasons Rowland showed such concern for the head of the Sudan People's Liberation Army, Uhlig reported, was that "the readiness of the American oil company, Chevron, to discuss its oil holding in Cabinda is dependent on developments in Sudan. Chevron has invested \$1.3 billion in southern Sudan. Because of the military situation this investment is presently standing idle." Uhlig wrote, "Chevron, apparently knowing Rowland's close personal connection to Garang, seeks to link the two projects."

These hitherto unknown business dealings between Rowland's Lonrho and the former communist regime suggest, at the very least, that a full official scrutiny of the Dieter Bock-Lonrho transaction is in order. Lonrho Plc is a publicly traded stock company on the London Stock Exchange. Could it be that certain British officials are willing to close their eyes to Bock's potential dirty dealings in return for other favors from Lonrho?

Currency Rates

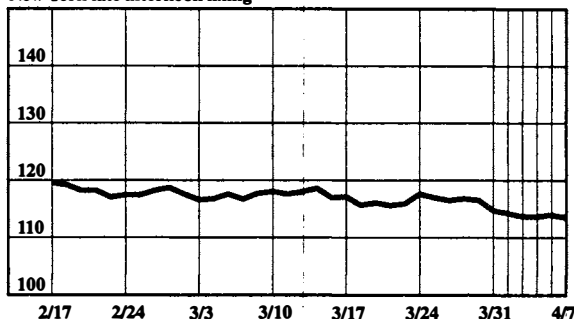
The dollar in deutschemarks

New York late afternoon fixing



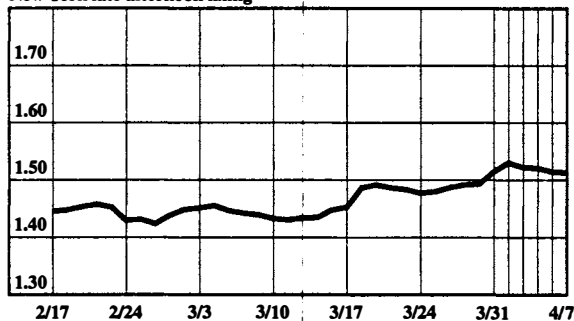
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

