

# Executive Outcomes vs. the nation-state

by Roger Moore

When the U.S. Defense Intelligence Agency (DIA) hosted its one-day symposium on the privatization of national security functions in sub-Saharan Africa recently, the guest list included five representatives of the London and Pretoria-based private “security” consortium, Sandline/Executive Outcomes (EO): Eeben Barlow, Michael Grunberg, Col. Bernie McCabe (USA-ret.), Tim Spicer, and Nic Van Den Bergh.

According to several Washington sources involved in the preparations of the DIA event, the crew from Executive Outcomes was hardly welcomed with open arms. The firm has gained notoriety in recent months, grabbing front-page headlines in Australia and Papua New Guinea for its role in a fabricated “death squad” plot, which resulted in the fall of the popular prime minister of P.N.G.; receiving coverage in the United States with a puff piece in the February 1997 issue of *Harpers* magazine, and a not-so-flattering segment of “60 Minutes” on CBS in June; and earning the ire of most governments in West Africa, for its role in the recent coup d’état in Sierra Leone, which occurred shortly after the legitimately elected government cancelled a \$20 million-a-year military training contract with Executive Outcomes.

Before the EO plug was pulled in Sierra Leone, the government had paid off \$16 million in back debts to the mercenaries-for-hire firm, by turning over some sizable diamond concessions to EO’s London-based underwriters, Branch Energy, a firm owned by Sandline International’s Tony Buckingham, formerly with the Special Air Services (SAS). In league with his South African business partner Eeben Barlow, Buckingham had earlier pulled off a similar diamonds-for-mercenaries deal in Angola, until the Clinton administration stepped in and demanded that the Angolan government give EO the heave-ho.

Never one to pass up a chance to make a quick buck, Buckingham took his Sierra Leone and Angola Branch Energy diamond concessions public, on the Vancouver stock exchange, as Diamond Works. Robert Friedland, a convicted LSD trafficker and Buckingham business associate, set up Diamond Works.

Another Buckingham partner in a raw materials and mercenary venture, is David Steel’s Heritage Oil and Gas (which shares London offices with Branch Energy). Steel is the head of the Liberal International, and former president of the Anti-

Apartheid Movement in Britain. In 1977, Steel was appointed to Her Majesty’s Privy Council, a post he holds today. If there is one thing that EO doesn’t lack, it is royal backing for its soldiers-for-hire operations.

Despite these connections, Executive Outcomes may very well go down in flames, in the near future, to be remembered as the corporate mercenary army that everyone loved to hate. The South African government is reportedly moving to regulate the private security industry, and ban South African citizens from engaging in fighting abroad—despite the fact that some former African National Congress fighters, along with some of their former bitter rivals from the Inkatha Party, the South African Civil Cooperation Bureau, and the UNITA forces of Angolan rebel Jonas Savimbi, are reportedly also on the EO payroll.

Even if Executive Outcomes falls, under current circumstances, it will have served its part in an orchestrated effort to create a new, post-modernist, post-nation-state global service industry: corporate armies for hire.

## A thumbnail sketch

The February 1997 article in *Harpers* magazine by Elizabeth Rubin was blunt about EO’s corporate mission. Citing military historian Martin Van Creveld, whose 1991 book, *The Transformation of War*, trumpeted the idea of “privatization” of combat, Rubin wrote, “Conventional wars waged by nation-states are fading from the map and future ‘war-making entities’ will resemble those of the pre-modern era—tribes, city-states, religious associations, private mercenary bands, and commercial organizations such as the old British East India Company.” EO is out to lead the revival of “pre-modern” warfare.

Executive Outcomes was created in 1989 by Eeben Barlow, a veteran of South Africa’s 32nd Battalion special forces unit, and later, of the Civil Cooperation Bureau (CCB), the apartheid regime’s not-so-secret assassination squad. Barlow won early contracts for his army-for-hire from the South African Defense Ministry and the DeBeers diamond cartel. In 1993, EO got a \$20 million-a-year contract from the Angolan government, to field a mercenary force capable of taking back the diamond-mining region of the country from the UNITA rebels. The contract also included a \$20 million-a-year budget for arms and equipment purchases.

In May 1995, EO got a similar contract from Sierra Leone’s military dictator, Valentine Strasser. The deal carried a price tag of approximately \$2 million a month. Both the Angola and Sierra Leone deals had been arranged through Buckingham’s Branch Energy, which also underwrote the salaries of the EO troops, in exchange for the lucrative diamond concessions. What cash payments were made to EO during the early phase of the contract, came right out of Sierra Leone’s account with the International Monetary Fund. Once EO’s elite killer squads secured the mining areas, they brought in “security guards” from Lifeguard, another firm

linked to the Diamond Works/Sandline/EO corporate complex. An EO spokesman told the Johannesburg, South Africa *Weekly Mail and Guardian* that the company was planning a cellular phone network and resort hotel in Angola—and was already in the business of distributing Bibles. Barlow tells reporters that his computerized database of soldiers-for-hire now contains thousands of names, beyond the more than 1,000 troops he currently has in the field.

## Defence Systems Ltd.: a Crown jewel

by Dean Andromidas

Of all of the so-called “private” British security firms to surface in the recent period, the outfit that warrants the closest scrutiny is Defence Systems Limited, a London-based firm which has been deeply involved in the British asset grab in Ibero-America; which works side-by-side with the Crown Agents in Bosnia, attempting to sabotage the U.S.-led peace effort, in typical Special Air Services (SAS) style; which has emerged as mercenaries-of-preference for all of the major Club of the Isles cartels; and, which has been specifically deployed to penetrate the U.S. military and national security establishment, at the highest level.

While Executive Outcomes was sending its top corporate public relations men to plead their case at the recent Defense Intelligence Agency conference, the far more prestigious DSL was off making polished sales pitches to the London headquarters of the International Institute of Strategic Studies (IISS) and the Washington, D.C. office of the World Bank. Through a U.S. subsidiary, DSL has managed to snare the “privatized” security contract for the U.S. Embassy in Zaire (now the Democratic Republic of the Congo), Uganda, Bahrain, Abu Dhabi, Angola, and Ecuador—a situation that ought to raise some serious alarm bells, given the British Club of the Isles’ ongoing sponsorship of international terrorism.

Today, DSL has its headquarters in Egginton House, London, and branch offices in Washington, Jacksonville, Hongkong, Singapore, Bogotá, Lima, Maputo, Kinshasa, Luanda, Port Moresby, Moscow, Kazakhstan, the Isle of Jersey, and Sarajevo. It presently has private and government contracts in 44 countries, and, as of May 1996, had over 4,000 employees, drawn from 30 countries.

According to a corporate prospectus presented by Stephen Carr-Smith, DSL’s Director of Special Developments and the company’s liaison to NATO, to IISS on May 31, 1996, DSL has emerged, since 1992, as “the largest supplier of international contract personnel” to the United Nations. Through the

intermediation of Britain’s sugar cartel, Tate and Lyle, DSL has bagged a similar contract with the World Bank.

Today, DSL is in the process of consolidating a precedent-setting degree of integration with the British Ministry of Defense, through what Carr-Smith described as a “permanent private sector planning team,” to be located at the Defense Ministry, with a database of skilled private sector military personnel and private sector security firms, to be drawn on for crisis service and proactive “peacekeeping.” In his presentations to IISS and the World Bank, he and other DSL representatives emphasized that, in the post-Cold War era of scaled-back national military forces, more and more security and defense functions must either be taken up by the private sector, or abandoned altogether.

While pressing for what amounts to a de facto privatization of Britain’s and NATO’s military operations, DSL has, simultaneously, consolidated lucrative contracts with a majority of the Club of the Isles corporations, including: British Petroleum, Royal Dutch Shell, Schlumberger, S.G. Warburg, Crédit Suisse, Robert Fleming, Kleinwort Benson, British Airways, Cadbury Schweppes, Jardine Matheson, and Rothmans. Among their American clients are: Exxon, Mobil, Amoco, Texaco, Chevron, Brown and Root, General Motors, Coca Cola, and Bechtel.

In this special report, you will learn about DSL’s involvement, in league with British Petroleum, in Colombia, in support of the narco-regime of President Ernesto Samper Pizano.

### All the Queen’s men

Defence Systems Ltd.’s meteoric rise to the top of the international mercenary industry is easily understood, as soon as one studies its easily obtained list of patrons and leading personnel. Founded in 1981, in the opening years of Margaret Thatcher’s frenetic drive to privatize every function of the British government, DSL was, from the outset, a special project of the British Establishment—their own “have gun, will travel.”

Its first managing director was Alestair Morrison, Order of the British Empire. Morrison was formerly second in command of the 22nd Regiment of the Special Air Services (SAS). Prior to founding DSL, he was the managing director of Heckler and Koch, U.K. Limited, the British subsidiary of the German manufacturer of the official assault rifle of the German Army, the G-3.

The first chairman of the DSL board was Maj. Gen. Viscount Gilbert Monckton of Brenchley, Companion of the Bath, Order of the British Empire. A former chief of Staff of the British Army of the Rhine, the 2nd Viscount Monckton’s family is British Empire all the way. His father, 1st Viscount Walter Monckton, was a member of Winston Churchill’s cabinet and chairman of Midland Bank. The elder 1st Viscount led what was known as the “Maidstone Set,” one of the elite Tory cliques, named after his Maidstone estate. The current Viscount Monckton’s son, Christopher Monckton, was editor