

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

of the *Daily Telegraph's Sunday Magazine*, and the social affairs adviser to Margaret Thatcher.

Another founding director, Philip Warner, was a director of Peninsular and Oriental Steam Navigation Company, of British Opium War fame.

DSL's current CEO is Richard N. Bethell, Member of the British Empire. A former officer in the SAS, Bethell is the son of the late Lord Nicholas Bethell, the 4th Baron of Romford. A senior member of the House of Lords, the elder Bethell was a lifelong operative of Her Majesty's Secret Intelligence Services, serving in the Middle East and Soviet sections of MI-6, and as a Lord in Waiting of the Queen. Lord Bethell was a key player in Britain's Afghanistan mujahideen project, which has spawned scores of international terrorist organizations, since the end of the Afghanistan War (1979-89). The idea of Lord Bethell's son directing one of the Crown's most important private "security" arms underscores the role that Britain plays today, as the leading sponsor and protector of narco-terrorism worldwide.

DSL spokesmen are mum about the source of its startup capital, making only vague references to Persian Gulf-based investors. But, following a string of offshore stock transfers, by the end of the 1980s, DSL emerged, briefly, as a wholly owned subsidiary of Hambro's Bank, one of the Crown jewels of the City of London. More recently, shares in DSL have turned up in the offshore portfolios of such major City of London financial houses as NatWest Ventures and Phoenix Fund Managers Limited. The latter is a subsidiary of Brierly Investments Limited. This is the huge, New Zealand-based multibillion-dollar fund run by Sir Ronald Brierly. According to its literature, DSL also enjoys "the full banking support of Rothschilds."

Since its founding, DSL has also been closely linked to another City of London "private" security conglomerate, Control Risk, founded in 1974 to provide risk analysis for Lloyds of London. Control Risk draws its personal and directors from the same high-level British military and intelligence ranks as DSL. Its managing director is former SAS Maj. Arish Turle. Its board of directors has included Gen. Sir John Stanier, former Commander in Chief of U.K. Land Forces and Aide-de-Camp General to the Queen; and Lord Soames, former leader of the House of Lords, senior Tory politician, and the son-in-law of the late Winston Churchill.

Another firm often involved in "logistical support" for DSL operations is Airwork Ltd., part of the corporate empire of the Cayzer family, managed by Lord Anthony Cayzer and Sir Nicholas Cayzer, which also includes the British and Commonwealth Shipping Company, and Caledonia Investments.

Since its founding, DSL has been heavily involved in Africa. It had contracts in Uganda, under President Milton Obote, until he was overthrown in 1986 by Yoweri Museveni. Despite DSL's alleged assassination attempt against Museveni, it was brought back in, and currently provides security

for the U.S. Embassy. In 1986, Tiny Roland, chairman of the British African raw material giant Lonrho, negotiated a rapprochement between Britain and the Marxist governments of Mozambique and Angola; under the deal, DSL received the contracts to train special forces for both governments.

## Penetrating the United States

In the last 12 months, Armor Holdings, a nominally American firm, bought DSL for \$26 million. The British press described the takeover as a U.S. "coup," a claim which is untrue.

With help from circles linked to former President George Bush, DSL has adopted a "made in America" label, in order to penetrate and subvert U.S. national security interests through the "private sector." In fact, DSL began shopping for an appropriate U.S. "partner" for over a year before the "takeover."

Armor was a most unlikely buyer. Armor Holding, formerly the Jacksonville, Florida-based American Body Armor and Equipment Inc., was a small, family-owned firm that had been manufacturing body-armor in New York, since 1969. It went bankrupt in 1992, was placed in Chapter 11 reorganization, and, in 1995, was scooped up by a group of international investors. As early as 1991, as it was teetering on the edge of collapse, the firm was placed in the hands of a British national, Jonathan Spiller, who remains, to this day, a Fellow of the Institute of Chartered Accountants in England and Wales.

The 1995 buy-out and reorganization as Armor Holding, put the firm squarely in the Anglophile camp, as the following background of some of its directors reveals:

- The chairman of the board is Warren B. Kanders, a former senior vice president of Orion Bank Ltd., a merchant bank wholly owned by the Royal Bank of Canada.
- Burt R. Ehrlich is a director of Armor Holding. His family securities firm, Ehrlich and Boger, is owned by Cater and Allen Bank, a British offshore outfit, with most of its operations on the Channel and Jersey Islands. Ehrlich is also a former treasurer and trustee of the Carnegie Council on Ethics and International Affairs.
- Nicholas Sokolow, a former partner in the rabidly Anglophile Wall Street law firm of Coudert Brothers, is now a senior partner in the Paris-based firm of Sokolow, Dunaud, Mercadier, and Carreras.
- Thomas W. Strauss, another director of Armor, was vice chairman of Salomon Brothers, until he was forced to resign, over a 1992 insider trading scandal, involving the manipulation of sales of U.S. government securities.
- Armor Director Richard C. Bartlett is chairman of the Richmond Group, a Dallas, Texas-based multinational holding company. He is a member of the elite Davos World Economic Forum, the Rothschild-owned Economists Group's Cross Border Monitor, and is chairman and trustee of the Nature Conservancy of Texas. This is the Texas chapter of the Nature Conservancy founded by the British Privy Council in 1946.