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SchNEWS

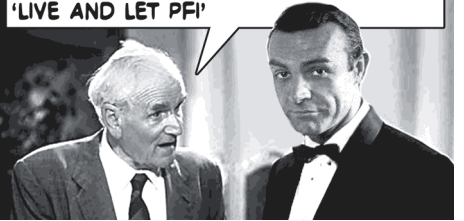
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SORRY JAMES, NO MORE GADGETS - WE'VE BEEN SOLD OFF TO QINETIQ AND THE NEXT PICTURE IS GOING TO BE CALLED 'LIVE AND LET PFI'



MoD PLC PRIVATISATION ON PARADE

Arms trade. Government sweeteners. Tax havens. Dodgy corporations making a killing. Directors paying themselves a packet. Ridiculous company names. Welcome to Neo Labour's first full blown privatisation.

In case you missed it while checking your portfolios(!), last week 'defence research' group QinetiQ was floated on the stock exchange, which even in the world of cut-throat capitalism raised quite a few eyebrows and mutterings of 'rip off' - even from those unconcerned about the whole profiting-from-killing-people business.

QinetiQ was created in 2001, when the Ministry of Defence's Defence Research Agency was split in two. The most sensitive work was taken on by the Defence Science and Technical Laboratory and the rest given to QinetiQ which, until last week, was still half owned by the MoD.

In 2002 everyone's favourite secretive US equity power-players the Carlyle Group (See SchNEWS 380) - whose board includes such 'luminaries' as former PM, John Major and Big Daddy Bush - paid a mere £42 million for a third of QinetiQ and management control in the privatisation deal - one that actually cost the taxpayer double that amount in legal and advisory fees. Carlyle also managed to get out of any responsibility for expensive environmental liabilities, and then immediately started selling off thousands of acres of former military training grounds, target sites, tank lands and air strips for housing. Now thanks to the stockmarket flotation they have netted a cool £227 million.

Also doing very nicely out of the flotation are QinetiQ's own fat cats. Chairman Sir John Chisholm has a potential windfall of £25m and chief executive Graham Love stands to trouser £22m. This makes a neat £42 million profit for shares they awarded themselves, swindling the taxpayer at the same time.

There's been plenty of room at the trough for others however: consultants, advisers and other service providers also netted more than £100m by the time the flotation was completed, while investment banks and their clients - the faceless hedge funds and investing institutions who can be relied on to Hoover up the shares - will turn a nice, quick profit out of the flotation process.

Seems that everyone has made a killing out of a dodgy arms company. But with Neo Labour forever banging on about the threat of terrorism and demanding new laws, why did they rush to sell off the UK's sensitive defence-related inventions - from

anti-missile programmes to guided weapons? Even QinetiQ have warned that it may not be able to "deter misappropriation of its confidential information." Oh well as long as the profits keeping flowing in...

Last year 73 per cent of QinetiQ's revenue came from the MoD, thanks to a cosy contract known as the Long Term Partnering Agreement. This agreement means QinetiQ runs the government's test ranges for the next 25 years in a deal worth up to £5.6 billion. With such guaranteed income, no wonder everyone was trying to clamber on board.

MISBE-TAX-HAVEN

The National Audit Office, which monitors public sector spending, has said it will look at a range of issues raised by the privatisation, and would "examine whether the privatisation of QinetiQ was good value for money", including whether Carlyle's stake was sold too cheaply. Meanwhile former Labour defence procurement minister Lord Gilbert, says "the MoD was taken like a lamb to the slaughter", loading up the company with a contract backed by the taxpayer in order to privatise it. "The sale was very much akin to Boris Yeltsin handing out the assets of the old Soviet Union to his chums at knockdown prices."

Part of the Audit Office inquiry will also look at the investment bank UBS. It was UBS who advised ministers on the sale of QinetiQ to Carlyle. On the company payroll was one James Sassoon, the bank's head of privatisation. In 2002 Sassoon moved to the Treasury to help advise them on, amongst other things, public private partnerships - like QinetiQ! Sassoon is well known to the Audit Office, as he was head of the privatisation team who helped with the sale of Railtrack, perhaps the biggest privatisation cock-up of them all.

In the past, such dodgy privatisation deals

CRAP VERDICT OF THE WEEK

Swiss Roll Over

The to Swiss police officers charged with cutting the rope of an activist hanging from a bridge in Switzerland during protests at the 2003 G8 summit in Evian (SchNEWS 408/409/410) have been acquitted. In a summary which mirrored the statements made by defence lawyers for the two policemen, the judge said that the police had made "mistakes" but that these were caused by "stress".

Activists at the trial walked out of the court when they heard the judge's verdict and staged a protest outside. The climbers read this statement:

"What we have seen here during the last three days is exactly the reason why we and thousands of others like us, all over the world, think that direct action is the best way to overcome injustice. The entire judicial procedure, from the time the rope was cut, has been clear whitewash. The prosecution is supposed to defend the law but what they actually defend is the state - and its officers. This court case has been an elaborate, expensive and time-consuming piece of theatre to provide a platform to find excuses for inexcusable actions and to misguide the public by pretending to provide justice. This verdict is a pure cover up of police brutality by the justice system and is just further proof of the almost complete police impunity in Switzerland."

* www.aubonnebridge.net

have been justified on the grounds that corporate profits are good for the Exchequer. Not so QinetiQ. Not only did Carlyle get the company cheap, it also bought its stake through a series of "special purpose vehicles" based in Guernsey, which means that it will not be paying tax on the sale of its shares - and it says that the government knew about the tax haven before the deal was done. In fact, the QinetiQ story has some parallels with the sale of the Inland Revenue's buildings to Mapeley - an offshore property company registered in Bermuda. While the Inland Revenue will relentlessly pursue anyone who owes them cash, the government was happy to sell all their buildings to Mapeley who do their very best to pay no taxes in this country.

On an economic level the QinetiQ deal makes no sense, but on another level, it all falls into place with the free-market privatisation zeal of the Neo Labour fundamentalists. It just so happens that all the bean-counters and bankers that advise the government that the best thing they could do is to flog off the nations silver - schools, hospitals, inland revenue buildings - are the very same people that end up making shed loads of cash out of those same deals. Who said government wasn't transparent enough?

* For more on the Carlyle Group see www.hereinreality.com/carlyle.html



VICTORY DEMO

Brighton bomb makers EDO MBM have failed in their year-long attempt

to silence protesters with a High Court Injunction. Come down and show them that it's game on.

Wednesday 1st March 4pm

Meet bottom of Home Farm Rd, Moulscroomb, Brighton.

To find out more 07891 405923

www.smashedo.org.uk

We will be here until EDO isn't!

EVERY LITTLE HELPS

The protest camp to stop Tesco's building another supermarket in Shepton Mallet has gone big time with tunnels and 90-foot tree platforms – and national media coverage. Tesco's are claiming that the area is 'brownfield', but it has a mature woodland of 400 trees on it – as well as a war memorial which will also be destroyed.

Earlier this week the camp lost a High Court decision and an eviction team was assembling, but the trees would have to be felled before March 1st or else they'd be protected by bird nesting laws in the Wildlife and Countryside Act. But now it turns out Tesco's don't own part of this land until March 1st, so they'd have to bring in a new eviction process to claim the whole area. Either way destroying these trees would be illegal, and Tesco's are in no mood to see their steamroller of 'progress' halted, and could be sending in the heavies anytime.

The site includes the woodland, plus two warehouses and what was once the social rooms for those buildings – which has been squatted and is now providing heated accommodation and social space to use for the protesters as temperatures reach sub-zero.

After the call out (and thanks to BBC and ITV coverage), the camp has grown with an influx of campaigners – some protest camp veterans, plus new faces, as well as professional climbers, all arriving to help secure the treehouses, aerial walkways, tunnels, concrete lock-ons and more.

There is an urgent call out for people, people, climbing and building tat, tea, coffee, food etc, as eviction attempts are highly likely next week. There will be a party this Saturday night (25th) in the squatted social club on-site, with 'tunnellers, teamakers and bards' all particularly welcome.

The camp is in Shepton Mallet at the end of Station Rd, behind an industrial estate by the War Memorial. Site mobile: 07749 110689.

HOLD THE MAYO

Activists from Rising Tide, Rhythms of Resistance and other groups shut down a Shell petrol station in North London on Sunday as part of an international day of action against Shell.

The activists blocked the entrance and exit to the forecourt, disabled the petrol pumps with 'Caution Global Warming' hazard tape, and hung a banner from the roof of the garage reading 'Stop Shell Hell in North West Ireland Now!' The petrol station was shut all afternoon, and part of Upper Street was closed off to traffic. The forecourt fiesta and samba band came to an abrupt halt when the fuzz arrived and arrested three of the activists.

The international day of action was called to draw attention to the struggle to stop the construction of a gas pipeline and refinery which would transform a remote conservation area of outstanding natural beauty in County Mayo, Ireland, into an environmental disaster zone with serious public health and safety implications.

Shell's plans are fully backed by the Irish State, which sold the rights for a song and used compulsory acquisition orders to give Shell access to local people's lands.

Residents and people from right across Ireland are fighting back and, last year, five Rosport residents were jailed for three months for attempting to prevent construction workers from entering their land (See SchNEWS 515). During the summer a protest camp was set up on the site of the proposed pipeline and construction prevented. Work on the project has still not begun, and the camp is seeking as many people as possible to join them this summer to stop Shell again.

For more information and photos, call 07708 794665 or email london@risingtide.org.uk

See also * www.risingtide.org.uk *

* www.londonrisingtide.org.uk *

* www.corribsos.com *

COURT IN THE ACT

Next Monday (20th) UK Law Lords will begin a hearing of great political significance, as they decide whether a British court can rule on the criminality of a war started by a UK government. A number of the many Trident Ploughshare activists who have resisted at military bases over the years, the so-called 'Fairford Five,' are to be tried at Bristol Crown Court later this year. The 'Five' are charged with cutting their way in and causing £50,000 of damage to a B52. This followed their action in March 2003 to prevent or delay the take-off of the Iraq-bound American bombers from Fairford air force base. The 'Five' say they were justified in their actions - aiming to prevent a far greater crime - that of 'aggression', of starting an unprovoked war against another country. Lower courts have so far denied them this defence argument, saying that it was a matter for international law, which cannot be ruled on in a British court. A Trident Ploughshares spokesperson said: "We hope that the Law Lords will have the courage to unblock the route to the fair trial which would inevitably acquit them. We look forward to the day when it is the war criminals of Whitehall who are in the dock." www.tridentploughshares.org

SchNEWS in brief

Sat 25th Reclaim the Night Brighton Reclaiming the streets as a safe space for women. 6pm, Meet outside Brighton Pier. email: kh40@sussex.ac.uk

** March 1st, City-Zen Fundraiser. A monthly not-for-profit event serving up information, entertainment, brain-food, soul-food, beer-food and hot tea, with diversity and free-expression being the main dish of the day. Live Music from Concertina Turner 'Post-apocalyptic skiffle meets scary children's folk' (!), The Mothers, I.D.ENTITY & perry rhogan josh plus more. From 8pm, The Victoria Inn, Derby (opposite train station). Phone 07779 800919, email City-Zen@riseup.net - donations. ** Get Bangers'n'mash and support your local dirt-diggin newsletter at the same time... Rough Music Benefit Banquet, Sunday (26th) at the Cowley Club, Brighton, 3-6 pm. \$3.50

TAX CUTS

The 'Peace Tax Seven' - campaigners who withheld 10% of their tax (the estimated percentage of national military spending) and instead argue for a 'peace' fund - are to have their case heard in the Court of Appeal on March 1st. This will be the first time that objection to taxes being used for the war machine will be heard in such a powerful court. The hearing will be at the Royal Courts of Justice, The Strand, London - but get there by 10.30am (call number below to check for late changes). The peace tax campaign - Conscience - re-launches with a party on March 2nd, 6pm at Clerkenwell House, Hatton Wall, London. Tel 07981 680638 www.peacetaxseven.com

PAY AND DISPLAY

An anti-hunt campaigner has attacked "creeping authoritarianism" after receiving £1,713 (what about the 37p? ed) from Cambridgeshire Cops this week for false imprisonment. Neil Hansen of the National Anti-Hunt Campaign, had been collecting signatures on a petition to ban hunting in Peterborough in the summer of 2003, when police told him they found the pictures he was displaying of hunted foxes offensive and demanded their removal. "I explained that the pictures showed the reality of fox hunting and that I found them offensive too, which is why I was seeking to ban hunting." Neil was charged under the Public Order Act but when the case was dropped, he made an application to the magistrates that the trial proceed in order that he could expose the "utterly corrupt" action of the police in open court. "I suggest to the officers responsible for my arrest that they consider a transfer to North Korea or China where their style of policing might be more appreciated."

TURF WAR

Last month, at almost exactly the same time, not one but two peat extraction sites were mysteriously sabotaged. At a site owned by Joseph Metcalf Ltd, at Chat Moss near Manchester, two excavators had their engines wrecked, locks glued, and around a hundred specialist tires on hoppers and harrows were slashed. Meanwhile, at Lindlow Moss near Wilmslowe, at a site owned by Croghan Hill Horticulture (a subsidiary of EJ Godwin of Glastonbury), four tractors and JCB's had their engines sabotaged and locks glued and buildings were sprayed.

The real coincidence is that the operations of J. Metcalf Ltd have destroyed Chat Moss. They are now threatening the Wildlife Trust nature reserve at Astley Moss and local Sites of Special Scientific Interest (SSSI), whilst EJ Godwin's work has dramatically increased the destruction of the rich wildlife habitats of Lindlow Moss.

* www.indymedia.org.uk/en/2006/02/333854.html

* Read Corporate Watch's report on the Peat Industry "Turning Dirt into Dollars": http://open.coop/tiki-download_file.php?fileId=4

HACKNEYED LINES

Tony's Cafe in Broadway Markets Hackney (See SchNEWS 527) was evicted today (Thurs). The building has been secured, but they haven't yet got a license to demolish. Meanwhile, at the same markets, Spirit – who runs a now squatted food shop (he has been there since 1993), has had a reprieve as the eviction court case has been adjourned. But money is urgently needed now to fight the case. For more see <http://34broadwaymarket.omweb.org>.

The Dalston Theatre in Hackney has been squatted, to stop the council knocking it down to make £15 million on an Olympics prompted housing scheme. The 19th century Victorian theatre in Dalston Lane, E8, was later the famous "4 Aces" reggae club – once gigged by Bob Marley and Bob Dylan – and after that was the Labyrinth club. This week a High Court judge found in favour of local campaigners 'Open' in their claim that the council had made an unlawful attempt to demolish without public consultation. For more see <http://opendalston.blogspot.com>

...and finally...

Talk about kicking people when they're down. The Iraqi holy city of Najaf, being in Iraq, has obviously been through hell of late. It took a severe battering during a three-week assault by American troops in 2004, and was the scene of two suicide bombings a couple of years ago which killed dozens of people and injured many more. Having just managed 12 months of relative calm, it's going to be rewarded with a fate almost as bad. In what is thought to be the first commission of its kind in post-war Iraq, instead of promoting local talent and solutions, the Baghdad officials have appointed a British firm of town planners to remodel the city. Llewelyn Davies Yeang won't mean a lot to you unless you have an MK postcode.... That's right first we bomb the place and then we send in the firm that gave us Milton Keynes. Talk about rubbing salt into the wound. Yes, apparently the plan is to surround the unique architecture, ancient mosques and sacred burial grounds with a vast network of roundabouts, uniform 'boulevards' and soulless shopping malls, to confuse the pilgrims who flock to the city and encourage them to take up skateboarding instead. You can't help thinking the poor residents could probably do with concrete commitments to leave them all alone as opposed to concrete cows.

Disclaimer

SchNEWS warns all readers - remember to mind yer PFI's and Q's... Honest!

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