

# London School of Economics was hub of relations between British elite and Gaddafi regime

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In late February, damaging revelations emerged concerning the London School of Economics (LSE) award of a PhD to an allegedly plagiarised paper by Colonel Gaddafi's son, Saif. A series of lucrative financial deals had been struck between the Gaddafi Foundation, established by Saif, and the LSE, to train Libyan government officials.

On March 4, the director of the LSE, Sir Howard Davies, resigned. In all likelihood he was pushed to do so by higher authorities, because of what the debacle reveals about British foreign policy: that the LSE and other British universities play a key role in delivering training and patronage to advance the global interests of British imperialism.

The involvement of the LSE is only the centrepiece of a network of relations with the Libyan regime involving academia that were established under the tutelage of the British government and security services.

The LSE is far from alone in enjoying lucrative commercial relations with Libya. Many British academic institutions, including elite universities belonging to the Russell Group, agreed to train the nomenclatura of Gaddafi's regime.

In January of this year, some 8,000 Libyan students were studying in the UK.

Steve Smith, the vice-chancellor of Exeter University and president-elect of the International Students Association, travelled to Tripoli as part of a prospective £75 million deal for Exeter University to educate "elite Libyan officials". He did so at the request and expense of the British Council.

Kings College London struck a deal, orchestrated by the Gaddafi Foundation, with the Libyan government to reform the North African state's prison system. Professor Andrew Coyle, director of the Prisons Studies Centre, said the funding for the centre's activities in part came from the Foreign Office, worth £700,000 over six years. The centre was invited to go to Libya by the British Foreign Office.

The British Council and UK Trade and Investment organisation were forced to cancel their annual British Education Experience and English conference scheduled to open recently in Tripoli. The event is designed to attract Libyan students under a scheme to send 3,000 students to study in Britain every year. The deal is worth £165 million annually to British universities.

The LSE played a pivotal role in overtures made by the Labour government of Tony Blair, together with corporations such as BP, to win over the Gaddafi regime into allowing British investment in the previously isolated North African nation. This meant bringing Gaddafi "in from the cold" and offering him Britain's assistance in rehabilitating and even operating his regime.

The LSE was in a unique position to carry out such a task. It was entrusted with looking after Gaddafi's heir apparent, Saif, because its Board of Study Centre contains no fewer than four men who have served at the top levels of British state intelligence. In addition to Sir Mark Allen, former head of MI6 Middle East bureau, there are two ex-chairmen and one former member of the Joint Intelligence Committee (JIC), the Cabinet Office body that coordinates national security assessments for government ministers.

Gordon Barrass, a visiting professor at the "LSE Ideas" centre, was a member of the JIC during John Major's Conservative government. Sir Colin Budd was the chairman of the JIC in 1996-1997. Sir Richard Mottram was the Cabinet Office permanent secretary for intelligence, security and resilience and chairman of the JIC.

The Libyan dictatorship utilised Allen's MI6 connections to announce its readiness to open up the economy and renounce terrorism and the manufacture or purchase of "weapons of mass destruction". The rapprochement between Libya and the West was symbolised by the "deal in the desert" handshake between Blair and Gaddafi in 2004. The Gaddafi regime was shaken in particular by the belligerent response of the Republican administration in Washington, supported by the Labour government, to the events surrounding 9/11 and the launching of wars in Afghanistan and Iraq.

The former Italian colony is a sought-after prize, primarily due to its 44 billion barrels of proven oil reserves and more gas than any other African state. A recent confidential British government document declares that Libya is one of a select few states "with medium term capacity to bring significantly more energy to world markets." Despite providing just 2 percent of current global oil supply, Libya has the potential to increase output over a protracted period in the near future.

BP sealed a US\$900 million deal to explore Libyan oil fields in 2007. Tony Hayward, then chief executive at BP, said it represented their "single biggest exploration commitment anywhere in the world".

After leaving office, Blair established an advisory business, Tony Blair Associates. He has travelled to Tripoli on behalf of US bank JP Morgan Chase on a number of occasions, for which he was highly compensated. Colonel Gaddafi most recently hosted Blair and his entourage only last summer.

Professor Fawaz Gerges of the LSE stated, "You cannot exaggerate the role that Blair and Britain played in bringing Gaddafi in from the cold. In 2004, Gaddafi was still a maverick.... By allowing Gaddafi to rebrand himself, Blair sacrificed principle at the altar of economic gain. The rest of British business dutifully followed."

A US diplomatic cable released by WikiLeaks indicates the British

government was a party to a deal to bring 400 Libyans to Britain for leadership training at the LSE.

Davies, the LSE's former director, admitted only a "personal error of judgment" in travelling to Libya to advise the Gaddafi regime on how to modernise its financial institutions. His "error" was involvement with the Libyan Investment Authority, which is the country's sovereign wealth fund. At the invitation of Jacob Rothschild, the British financier, Davies joined other establishment figures, such as former German chancellor Gerhard Schröder, on its international advisory committee. Davies was invited to take part in official delegations, as were other members of the LSE staff.

Those involved in the LSE's relations with Libya read like a "who's who" of Blair's closest associates.

Sir Mark Allen is a former advisor to Blair. He was involved in the machinations to release the alleged Libyan Lockerbie Pan Am bomber, Abdelbaset al-Megrahi. While Allen was running the MI6 Middle East desk, he informed Blair that the Gaddafi regime was ready to abandon its advocacy of what the *Wall Street Journal* once derisively called "the jetsam and flotsam of anti-Imperialism".

Another former Blair adviser, who chairs the "LSE Ideas" board, is Sir David Manning, a career diplomat and Washington ambassador. Manning was present when President George Bush told Blair that he intended to invade Iraq. He is also employed by British Gas and the weapons manufacturer Lockheed Martin.

The "LSE Ideas" board also includes Jonathan Powell, formerly Blair's chief-of-staff, and Baroness Symons, a former Foreign Office minister whose husband, Phil Bassett, was also a special adviser to Blair. Baroness Symons resigned from the Libyan National Economic Development Board only a day after praising Colonel Gaddafi's "sound ideology".

Those who helped smooth the way for a rapprochement with Libya also include Baron Anthony Giddens, whom Blair considers an ideological mentor in developing a "Third Way" alternative to Labour's old reformist policies. Giddens, a former LSE director, met Gaddafi in the Libyan capital twice, once in 2006 and again in 2007.

Documents published by WikiLeaks show at least one trip by Giddens was vetted in advance by Abd Allah al-Sanusi, the Libyan leader's head of intelligence, blamed for atrocities against civilians during the present uprising. After his visit to Tripoli, Giddens told the *Guardian*, "As one party states go, Libya is not especially repressive. Gaddafi seems genuinely popular."

One of the fawning articles penned by Giddens after visiting Libya, published in the *New Statesman*, informed readers how the Lord (Giddens) and the Colonel got on famously—debating the origin of the term they both lay claim to, the "Third Way".

Saif Gaddafi was awarded his PhD by the LSE, even though there were rumors it was ghost-written by two Libyan academics and that Gaddafi did not carry out the fieldwork research for the doctorate.

Another prominent figure involved in the LSE debacle is Lord Dessai, a friend of Blair and Labour peer, who set up the LSE Centre for Global Governance and acted as an external examiner of Saif Gaddafi's PhD.

Saif Gaddafi was given the unprecedented honour for a student of an invitation to give the annual Ralph Miliband lecture at the LSE last May, during which a Libyan protester was allegedly assaulted by one of "Gaddafi's associates". The LSE has said the case is subject to legal proceedings. Ralph's son, Ed Miliband, is now leader of the Labour Party. He claims to have been unaware until the story broke that Saif had given the commemorative lecture last year.

Professor David Held, who specialises in the subject of globalisation, was an academic adviser to Saif Gaddafi during his four study years at LSE. Before the uprising in Libya, Held was quoted as saying, "I've come to know Saif as someone who looks to democracy, civil society and deep liberal values as the core of his inspiration. I look forward to how he will apply these."

Only weeks ago, Held—together with other LSE staff, Dr. Alia Brahim and Dr Kristain Coates Ulrichsen—penned an article on the revolutions in Egypt and Tunisia that rejected the possibility of a similar dynamic rolling out in Libya. The trio argued a case for Libyan exceptionalism when they wrote, "But in Libya, in contrast to Tunisia and Egypt, more pronounced tribalism has drawn a larger circle of people into the regime's orbit and gives them a stake in society."

In response to the crisis at the LSE, the institution announced an inquiry headed by Lord Woolf, a former lord chief justice, to examine its relationship with Libya. The inquiry will apparently establish guidelines for future international donations to the university and will examine a range of connections between the LSE and the Gaddafi regime, including a £2.2 million contract to train Libyan civil servants and professionals.

In reality, the contracts with Libya are hardly unique, merely extraordinarily lucrative.

Paralleling the military training of sympathetic heads of state, their offspring and cronies at Sandhurst, elite universities like the LSE are on hand to educate international political elites and cultivate them as sympathetic allies of Britain. As a recent postgraduate wrote in a letter to the *Guardian*, "The LSE is a utilitarian bureaucratic training centre that does little more than respond to the needs of government and business".

When the storm broke over the LSE's relationship with Gaddafi, Lord Dessai complained that nobody had in fact raised objections until "bullets starting flying". There is a truth to this albeit self-serving statement. The LSE was put in a bad situation only because a previous official policy of cultivating Libya had shifted towards military confrontation. If the Gaddafi regime is replaced with forces in the National Conference for the Libyan Opposition that are ready to act as a puppet of the western powers, then the LSE and its counterparts will resume business as usual.



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