

# Old soldiers never die

*Duncan Campbell writes:* Surprisingly little comment has been made concerning the true nature of 'anti-kidnap' firms such as Control Risks Ltd, who earlier this month supervised the paying out of a £5 million ransom to El Salvador guerrillas in return for two executives of Lloyds Bank International. The enormous market in kidnap and ransom insurance provided in London, quite apart from encouraging and bankrolling terrorist organisations, has for some years provided a prestigious cover for mercenary and 'bodyguard' recruitment. It is little surprise that Lloyds' brokers and companies like Control Risks are prepared to blatantly defy Foreign Office policy on the payment of ransoms, for the same people have long been prepared to recruit ex-soldiers for private wars, and even to sell their services back to the Foreign Office itself as bodyguards for ambassadors and envoys.

Kidnap and ransom (K&R) insurance started to blossom in the early 1970s. One broking firm in particular, Hogg Robinson, dominates the market through a subsidiary called Investment Insurance International. Associated with the actual insurance business is a secretive subsidiary composed of specialist ex-soldiers, Control Risks. Clients for K&R policies are obliged to take advice from Control Risks on personal security, and hire as many bodyguards as necessary. It has become quite notorious; in 1977 two ex-SAS officers in its employ were jailed following the illegal payment of a £1m. ransom in Colombia. After its recent activities, the El Salvador government has declared that any foreign firm behaving similarly will have its assets sequestered.

Hogg Robinson's K&R business has been built up by a wealthy insurance broker with military aspirations, Julian Radcliffe. Control Risks was established with the assistance of an ex-SAS major, David Walker, who very quickly acquired a reputation as a mercenary recruiter for Arabia and elsewhere. He had formerly been employed as an SAS security specialist at British embassies in South America.

Walker now works for the other major firm



specialising in the K&R consultancy business, Saladin Security Ltd. This company is the public face of an ex-SAS recruiting organisation called Keeny Meeny Services (KMS). Until David Owen put a stop to their activities, KMS had succeeded in supplying ex-SAS bodyguards to the Foreign Office almost within hours of the same men leaving the army. Saladin Security, based in Sloane Street, London, now includes two ex-SAS commanding officers, as well as other ranks, among its staff. KMS/Saladin are well known to ex-soldiers as recruiters; their activities have raised fears that the SAS is being turned into a training ground for private armies.

Saladin Security is a subsidiary of another Lloyd's broker, Thomas Nelson. At least two other prominent brokers are handling a substantial amount of K&R business – Stewart Wrightson and Hartley Cooper. The companies are extremely sensitive about their involvement, aware of the charge that their activities encourage the payment of ransoms, and effectively finance terrorist groups. At Stewart Wrightson, the managing director was sufficiently imaginative to deny any involvement after their receptionist had enquired as to which area we wanted K&R insurance for.

Secrecy has intensified since the El Salvador incident. But there is no sign that the City brokers are ready to bow to international and Foreign Office feeling by cutting down on the business. With annual premiums for K&R and 'political risk' estimated to be at least £27m., scruples would be too expensive.