

"Gripen - the secret deals"

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- * The first report was aired 20:th of February 2007. (50 minutes)
- * The second report aired a week later on the 27:th of February 2007. (50 minutes)
- * The third report was broadcasted 5:th of June 2007. (37 + 5 minutes)

Synopsis

In 2001 the Czech government under social democratic Prime Minister Milos Zeman, signed a deal to buy 24 Gripen fighter jets from Swedish arms manufacturer SAAB for 1.5 billion pounds. (Today almost US\$ 3 billion.)

It was a historic deal as it was the first sale of a Gripen fighter from neutral Sweden to a Nato country. But the deal was really meant for someone else. F16 was the favourite until the very end and the Americans were fuming with anger.

But the Swedes, with their British and Czech partners, toasted the historic deal in champagne.

In the shadows lurked an Austrian Count, a former Canadian government minister and a Czech weapons dealer. Together they had contracts with SAAB and its partner British BAE systems, securing them more than 150 million dollars in "commissions". But the money was not solely for services rendered. The Czech political life also got its share.

This is in essence the story that we started publishing in February of 2007. Until then very little was publicly known about the realities of what was probably one of Swedens most important arms deals ever.

The first report in February revealed the bribes, the secret contracts and the agents involved in the Czech deal, the second report aired a week later focused on the Czech politicians, who in front of our hidden camera revealed what they knew about the bribes and gave an in depth look into the role of the most important agent, the Austrian Count Alfons Mensdorff-Pouilly and his company Valurex.

The third report in June expanded the investigation to two other Gripen business deals, namely the deals done with Hungary and South Africa.

The reporting

For us Swedish arms exports have always been an interesting subject, especially since Sweden in spite of having very strict export laws are one of the main weapons exporters in the world.

Gripen is one of the main three multi-role fighters jet that have been marketed worldwide during the last decade. The American F-16, now superseded by the F-35 JSF, the Eurofighter and to some extent French Rafaele were the main competitors.

The Gripen project is Swedens biggest industrial venture ever. Since its inception in 1982 204 Gripens have been sold to the Swedish Government, giving a country of barely nine million people one of the worlds largest air forces. An assessment by the Swedish commander in chief states that the armed forces need a maximum of 80 planes.

The Gripen has come at a great cost to the Swedish tax payers who to date has paid over 100 billion SEK for the project. (Today US\$ 15 bn.)

Exporting the Gripen has been paramount to the manufacturer SAAB, their part owner and partner British weapons manufacturer BAE Systems, and to the Swedish government for whom export means more partners in future development costs and a possibility to lease some of the surplus aircraft.

Then Swedish Prime Minister Göran Persson, as well as his British counterpart Tony Blair, were both personally involved in the marketing of the aircraft in all three successful export countries.

Our experience is that the weapons industry is one of the most corrupt industries, and that bribes in some form are rampant in almost all arms-deals. And the biggest deals of them all are the airplane deals.

Rumors of bribery in the Gripen deals have also surfaced from time to time, mainly in the large South African deal where 28 planes were sold for US\$ 1,7 billion, but has never yielded anything truly substantial.

So, the Gripen and its exports was something we wanted to look into, and we started a low-intensity research that spun over the best part of five years.

From September 2006 until publication in February and June 2007, all three of us worked more or less fulltime on the story.

We worked open sources like newspaper archives and companies registries in Sweden, the Czech Republic, Britain and numerous off-shore countries but the revelations would never have been as great without the anonymous sources who talked to us and supplied us with the documentary evidence.

Research – main points

* We charted all the personell we could in the Gripen sales project. We then pinpointed the agents, the BAE and SAAB people, and lastly Czech politicians who were the recipients of the bribes, and then started cultivating sources.

* The cooperation with our colleagues at The Guardian in Britain, The Mail and Guardian in South Africa, Profil in Austria, MTV in Hungary and Ceska Televize in Czech Republic were crucial to the success. We have also followed the agents money and companies all over the (offshore) world to Panama, Bahamas, British Virgin Island and Romania.

* When our anonymous sources confirmed the billion (SEK) bribes, we set-up a fake business intelligence company with a London address, Web site, business cards and posed as its representatives. We then contacted the Czech politicians who were on the receiving end or had knowledge of the bribes and implied, without saying so, that we had BAE as our client and asked them how the bribes had been handled.

This was a high-stakes project, but finally, and in front of our hidden camera, we got two politicians to talk to us. One of them was the former Czech foreign minister Jan Kavan, who is also a former chairman of the United Nations General Assembly.

Enclosed

- * Entry form
- * Transcripts in English of all three reports.
- * 6 DVD copies of the three reports. (The two first are subtitled in English, the third, about Hungary and South Africa is only provided with an English transcript.)

These DVD:s have been burned on a standard PC DVD burner in PAL format. They have been tested on a PC and on a European DVD player and should play on both an American PC and DVD/TV. They are burned on a DVD +R disc that might not play on a Macintosh. If there are any problems viewing them please don't hesitate to contact us and we will make something available over the internet or otherwise.