

Bilderberg Group - No COncspiracy, Just the Most Influential Group in the World

"The abuse is terrible," said Peter Mandelson, leading the walking party through the throng of protesters and carrying the group's uniform orange ski jacket under his arm.

Amid the din, Peer Steinbrück, the former German Finance Minister, pointedly refused to break off his conversation with Thomas Enders, the head of defence giant EADS. Behind him, Eric Schmidt, the Google chairman, picked up the pace along the narrow road and kept his eyes fixed on the Suvretta hotel ahead. Franco Bernabe, the vice chairman of Rothschild Europe, grinned through the chorus of booing and chanting in German down megaphones, before ducking under the police tape and into the safety of the hotel's grounds.

It was June 2011. Demonstrations were sweeping through the stricken eurozone, China and North Africa. And in tranquil St Moritz, high in the Swiss alps, half a dozen of the most powerful men in the West had taken a break from a weekend of intensive and strictly confidential debate to walk in the woods, when their paths crossed with the protesters who had come from around the world to keep an eye on them.

The gathering was entirely innocent, the walking party would insist. But what were they doing there?

No such encounters will take place in Watford this week, as the Bilderberg, the annual conference for 140 of the world's most powerful, meet for four days at The Grove, a £300-a-night golf hotel close to the M25. The entire hotel has been booked out, and a high fence erected around the exclusion zone. Armed checkpoints have been set up on local roads, and locals must show their passports to enter their own driveways. The Home Office may foot the bill. A US news site dedicated to uncovering conspiracies had booked a room for last week but were told by phone not to turn up.

The Bilderberg was founded in 1954 to bring the leaders of Western Europe and the United States closer as the Soviet Union cemented its control of the Eastern bloc. They met first at the Bilderberg Hotel, near Arnhem, at the instigation of Joseph Retinger, a Polish polio victim who had fought the Nazis during the war. Prince Bernhard of the Netherlands was the chair. In that first meeting, the participants – including bankers, economists, and the future Labour leader Hugh Gaitskell – debated the Communist threat and the prospect of European integration.

Publicly, the group says it is still merely a debating society – a forum for leaders to "listen, reflect and gather insights" unbound by official policy positions.

But while they rankle at the conspiracy theorists, former leaders of the Bilderberg conferences says they were the most important events they ever went to, and the freedom of speaking away from the ears of Whitehall officials meant the discussions that took place decisively shaped modern Europe.

It is above all a club for life's winners. George Osborne, Ed Balls and Ken Clarke, the Cabinet Minister who also serves on the group's steering committee, will arrive this afternoon, as will Mr Mandelson. They will be joined by Jose Manuel Barroso, the President of the European Commission; Christine Lagarde, the head of the IMF; Francois Fillon, the former French Prime Minister; Robert Rubin and Timothy Geithner, the former secretaries to the US Treasury; and serving prime ministers, foreign ministers and finance ministers from across north west Europe.

The chairmen and chief executives of some of the world's biggest businesses will attend, with a combined wealth running into hundreds of millions of pounds – from Deutsche Bank, Barclays, Amazon, Google, Shell, HSBC, Lazard, Prudential and Alcoa. Henri de Castries, the chairman of the Bilderberg, is the head of AXA, the insurance giant. Peter Thiel, the billionaire founder of PayPal, is also on the guest list. Goldman Sachs and BP have in recent years been donors to the British committee organising this week's gathering.

Then there are the defence officials: Olivier de Bavinchove, the commander of Eurocorps, the EU's standing army; Sherard Cowper-Cowles, the former British diplomat who now works for BAE Systems; Robert Kaplan, the chief analyst at intelligence firm Stratfor; Henry Kissinger, the former US secretary of state; and David Petraeus, the former US commander in Afghanistan who briefly ran the CIA. Those are the publicly issued names. A source involved in this year's planning admits sometimes others may turn up, "just for the day".

On the agenda is economic growth, big data, Africa, medical research and the rise of cyber warfare. The future of the welfare state is likely to be discussed, as one topic is titled "jobs, entitlement and debt". Another session is called simply "current affairs".

The debates take place with the delegates seated together in one large room. Some prepare written papers. It is bad form not to join in the discussion; they are not there to listen, a source says. On Saturday afternoon there will be time for golf, followed by dinner at which guests are seated alphabetically. Discussions are minuted and a report of what each guest said circulated, former guests say, but there are no formal resolutions voted on or policies adopted.

Few want to talk about it. I'm out of the office when Baroness Williams of Crosby returns my call, but when her secretary learns it is about the Bilderberg she says she cannot speak. The Treasury's press office do not answer emails asking whether the Chancellor has arranged any meetings with delegates in advance, and if he is attending in an official capacity, or what he might say. Ed Balls's staff are similarly shy.

Emanuele Ottolenghi, an expert in Iran at the Washington think tank Foundation for the Defense of Democracies who will sit next to Osborne at dinner, politely emails: "The conference is off the record. I will, therefore, be unable to comment on it, before or after."

I asked if he will make a case for the defence of off-the-record meetings. They are far from unique to the Bilderberg. He replies with a link to an old Daniel Pipes essay on the rise of conspiracy theories, which argues they have flourished in the States amongst the politically disaffected, the hard Right and, controversially, the black community. "I sympathise with your point of view, and can recommend this as a frame of reference," he says.

And the conspiracy theoretician-in-chief is Daniel Estulin, a 46-year-old Lithuanian and the author of the best-selling *The True Story of the Bilderberg Group*. Fidel Castro, the former Cuban leader, is a fan. It argues the group's founders were former Nazis, and it now gathers to choose presidents and control the media.

"Bilderberg is not a conspiracy theory. It's a conspiracy reality," he writes from Moscow, where he is filming his weekly show for Russia Today, the Kremlin-backed broadcaster. "It was a vehicle through which private financier oligarchical interests were able to impose their policies on nominally sovereign governments. The idea is the creation of a global network of cartels, more powerful than any nation on Earth, destined to control the necessities of life of the rest of humanity."

A major victory, he tells me, was engineering the 1973 oil price shock to prop up the dollar and make Wall Street rich. He sends me long lens photographs he took of de Castries and Richard Holbrooke, the US

diplomat, relaxing in chinos and linen jackets at a gathering in Italy. He's unsure what they were up to.

But high on the agenda in Watford will be Eric Schmidt and Google, his sources say. "It is an integral part of the United States security apparatus. Your information is processed, analysed and stored for later use," he adds. He adds: "Limitless anything spells c-o-n-t-r-o-l."

He asks for a copy of the guest list. I direct him to a newspaper story, taken from a press release on the Bilderberg's official website.

"Lots of the stuff written about it is a load of crap," says Lord Healey of Riddleden, who served as Chancellor to Harold Wilson and James Callaghan. He would know. He attended the first Bilderberg meeting in 1954 and sat on the steering committee for forty years.

"Those who weren't invited were very jealous. Some people described it as a secret Communist organisation. Others said it was a secret American organisation. But it was balls."

For much of the post-War era Healey helped set the agenda and chose the delegates. He is proud of their record in spotting future leaders. Bill Clinton and Tony Blair were invited early in their careers. "The steering committee, because of their wide range of backgrounds, made some very good choices," he says.

Lord Carrington is also frustrated at the theories. "I remember there was this American who thinks it's a great conspiracy and the Queen is involved, and probably Satan," he said.

Carrington, now 93, was Margaret Thatcher's foreign secretary during the Falklands War, and after leading Nato he served as chairman of the Bilderberg in the 1990s. He has never spoken publicly about the role before.

"The reason people talk about conspiracy is if you want people to speak freely on matters of importance, either financial or political, they don't want every word they say reported in the press. It's been secret in that sense," he says.

Healey is sure of the influence of the group. At 95, his memory for dates and speeches has dimmed, but he recalls discussing at length the Vietnam war with Henry Kissinger.

Most vividly, he recalls its role in bringing the architects of the European integration – Schmidt, Pompidou, Giscard d'Estaing, Leone – together for open-ended discussions with bankers and economists about how the European monetary system might work.

"The great advantage of the Bilderberg thing was they did not have to reach agreement. You had time to discuss things with people who influence events who normally you would not meet at all."

He adds: "People could talk very freely, much more freely than they would at home."

Would the European Union and single currency have taken the shape they have now without those early Bilderberg meetings, I ask him.

"I think it was a very important element in it. Whether it would have happened without it is difficult to say," he says.

Other accounts suggest the annual meeting can be decisive.

Alexandre Lamfalussy, the banker who went on to run the European Monetary Institute, the forerunner to

the ECB, recalls sitting next to Helmut Kohl, the West German chancellor, at the Bilderberg in the mid-1980s. He was asked whether Germany would ever be unified. It was inflammatory, and publicly unutterable, with Soviet troops still occupying the East. "It's going to happen," Kohl said. "Forget about your reticence, you will have to understand that German division will not endure." Americans at the table thought, at first, he was joking.

Similarly, according to the author Jon Ronson, during the Falklands War David Owen managed to turn the weight of world opinion with a single speech demanding sanctions on Argentina before an audience of foreign ministers at Bilderberg. The sanctions were later imposed.

And for business leaders, it is a perfect opportunity to lay the groundwork for deals. According to Tom Bergin's *Spills and Spin*, the account of the Gulf of Mexico oil disaster, Lord Browne, the head of BP, used a walk by Lake Como at the 2004 gathering in Italy to suggest a vast merger with Shell to create the world's biggest oil company. Lord Browne left under the impression it would happen.

Such cosiness, critics say, is a threat to democracy.

"If our politicians want to be wined and dined in luxury for three days with Goldman Sachs, that seems to me a little bit like lobbying," says Hannah Borno, a journalist and transparency campaigner, who will be outside The Grove today. She wants the minutes of the discussions to be published. She is puzzled as to how the Bilderberg Association is granted tax exemption as a charity, when groups such as private schools usually need to pass a public benefit test.

She adds: "Conspiracy theories have served the group quite well, because any serious scrutiny could be dismissed as hysterical and shrill. But look at the participant list. These people have cleared days from their extremely busy schedules."

Such scrutiny would kill the Bilderberg, delegates insist, and as a consequence international relations would suffer.

"I found it the most useful of all the meetings I attended regularly. The Bilderberg was the best because the level of the people attending regularly was so much higher," says Healey. "There was the Atlantic Institute which discussed the Americans' and Canadians' issues, and there was the purely European one, which used to meet in Germany. But Bilderberg was the most useful of the lot."

Healey, who like Carrington served in the war, writes of the meetings in his memoirs: "Experience has taught me that lack of understanding is the main cause of all evil in public affairs. Nothing is more likely to produce understanding than the sort of personal contact which involves people not just officials or representatives, but human beings."

Carrington also enjoyed the equality shared amongst the leaders when away from the office.

"The fact they were whatever they were made no difference, because everybody was pretty distinguished," he says. "They behaved like ordinary people, if you can believe that."