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## Rothschild bankrolls Mandelson think tank

*By Jonathon Carr-Brown*

HE IS a man with generous friends. Peter Mandelson, the former secretary of state for Northern Ireland, has found a new backer for his political ambitions in the shape of Sir Evelyn de Rothschild, the multi-millionaire banker.

De Rothschild may be 21 years Mandelson's senior but the two have become firm friends, lunching and sharing an interest in Albanian affairs. When the banker married his third wife two years ago, Mandelson was a guest.

So it is perhaps no surprise that de Rothschild has emerged as the mystery funder of Policy Network, a "super think tank" that boasts some of No 10's senior policy advisers on its board and is chaired by none other than Mandelson.

The sum donated to date is said to be £250,000. The name of the donor is missing from the think tank's accounts, but its directors have been privately concerned that they will look secretive if they continue to hide his identity. One tipped off The Sunday Times last week: "It hasn't been publicised, but de Rothschild's involvement is well known to the board."

Last night critics said the donation is yet another example of a businessman with vast commercial interests in government policies giving "cash for access" via a Labour think tank. De Rothschild and Policy Network have declined to comment on the matter.

De Rothschild, 71, heads the British arm of the Rothschild banking dynasty and chairs N M Rothschild & Sons, its merchant bank. His personal fortune is estimated in The Sunday Times Rich List as £500m.

Mandelson's attraction to rich men has already led to him resigning from the government twice. The revelation that Geoffrey Robinson, the multimillionaire businessman and Labour MP, had loaned him £330,000 to buy a home prompted his first resignation from the Department of Trade and Industry. Then his friendship with the billionaire Hinduja brothers led to his downfall as Northern Ireland secretary when he was accused of helping them obtain British passports.

De Rothschild was not previously known to have political leanings but the donation is attributed to Mandelson's influence and to the banker's wife Lynn Forester, a friend of Bill Clinton and part of New York's Democratic party elite.

The couple's friendship with Mandelson blossomed when he was flown to Albania, where de Rothschild and Lord Sainsbury are trying to preserve the city of Butrint, a world heritage site.

In June this year the de Rothschilds were among the organisers of a "progressive" leaders' conference run by Policy Network at Brocket Hall in Hertfordshire, which attracted Clinton and the prime minister. In the evening, the gathering moved to Ascott House, de Rothschild's home in Buckinghamshire, for a seated banquet for 100.

The board of Policy Network — set up by a group of young Blairites in 2000 — reads like a Who's Who of Labour's inner circle. It includes Andrew Adonis, head of Downing Street's policy unit, Roger Liddle, a senior member of the No 10 policy unit, Lord Levy, Blair's chief fundraiser, and Adair Turner, the former CBI director who is now part of Blair's "blue sky" thinking unit.

When Mandelson resigned as Northern Ireland secretary, both Policy Network and No 10 steered the MP for Hartlepool in its direction. A source close to the think tank claimed it was all part of attempts by Downing Street and friends to "feather bed" his second fall from grace.

According to Policy Network directors, the de Rothschilds gave the money to a charity, the Policy Network Foundation, before Mandelson came on board.

A Downing Street spokesman denied that there was any conflict of interest between Adonis's and Liddle's presence on the board. He said: "These are unpaid positions from which no financial gain is sought or received."

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