LOBSTER 93

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- BRIAN CROZIER, THE PINAY CIRCLE AND EUROPEAN CONNECTIONS
- MI5, WILSONGATE, SPOOKS
- IRAQGATE AND 'BLINKER' HALL

Journal of Parapolitics

Editorial

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At the end of 1992, Robin Ramsay - unceremoniously and without warning - dumped me as co-editor and co-owner of *Lobster*. In this one-man boardroom coup - attributed by some to the male menopause - Ramsay decided to keep the subscription list and finances for himself. Initially stunned by this underhand and unworthy move, particularly when Robin dismissed any attempt at a compromise - refusing even to discuss the reasons for his decision; I was later able to see the funny side to this daft episode, when subscribers and others came forward and told me that they too had been placed on Robin's 'shit list'.

Happily, I have received over forty letters of support, plus telephone calls, from readers. Many are disturbed by Ramsay's issues 24/25 - produced and edited soley by him - which include acceptance of the wilder conspiracy theories and aspects of para-psychology; moves which, as some subscribers have pointed out, can only serve to undermine the magazine's name and good-standing.

I should explain one episode that a number of people have asked me about. Some readers will have seen in the February issue of *Searchlight* reference to problems encountered by me with Robin. This was placed next to a piece about Larry O'Hara. For my part, this was complete coincidence, since I had not seen Larry's article, nor Ramsay's *Lobster* 24 (Robin refused to send me a copy).

Until Ramsay's *Lobster* 24, there had been an agreement that no article would go into *Lobster* before receiving both our blessings. This agreement served us well until issue 24 when Robin wanted to put in the fabled Gable memorandum. I said no to this idea as the memo had already appeared twice before in other publications; it was old hat. Moreover, there are more important issues to tackle, such as Iraqgate etc.

I don't intend to stoop to respond to the nonsense Robin published in an editorial in issue 25.

Unwilling to let *Lobster* go without some sort of settlement, with the help of two fellow researchers, I decided to bring out a magazine which would combine the best aspects of *Lobster* with some of the changes and ideas I had long thought necessary during the Dorril/Ramsay partnership. The magazine will retain the long articles with masses of footnotes, for which *Lobster* is reknowned, but will become more 'user-friendly', including defined sections, such as: reviews; profiles of organisations and individuals; some shorter, sharper articles; a research 'wants' section, and; a column of snippets, gossip and comment. The range of interests will remain eclectic but solidly rational. While *Lobster* will continue to publish material from the First World War onwards, there will be a stronger emphasis on contemporary events. The magazine will retain the name, *Lobster* (the name has always been accepted as being mine - indeed Robin has, from the start, made obvious his disdain for the name I chose, so he should have no quarrel with this decision).

Apologies for the delay in production of this issue which was mainly due to acquiring the necessary desk top publishing facilities. We now have a backlog of material and another issue will follow shortly.

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Hopefully, the changes will encourage others to write and contribute material, whether long articles or small items; letters for publications are also welcome. All contributions should be typed up on A4 paper or supplied on 3.5" floppy disc (MS DOS or Apple Mac) - the magazine is edited in Aldus Pagemaker.

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So that's alright then...

STEVE DORRIL considers Brian Crozier, the Jackal, Acid Dreams, Hatton and the land deals, Alex Josey, Roland Gant, Operation Splinter Factor, Alice Bacon MP, and laundry vans

Last year a splendid series of programmes on BBC2's Timewatch exposed the workings of the Gladio network in Italy. In my opinion, they were the best television investigative documentaries for years and deserved many awards. They also merited some press coverage. Unfortunately, except for the *Observer*, whose production arm was responsible for the programmes' creation, nothing appeared in print.

What was extraordinary was that they provided solid evidence that all those conspiracy theories that elements of the left held about the CIA's role in Europe during the sixties and seventies were true. Yes, the CIA did support the fascists; it did supply weapons and arms to them; the right were responsible for the majority of terrorist acts etc, etc. The programmes went even further, as did a following Channel Four documentary, showing that the Red Brigades were manipulated by the Italian security services and, in some cases, directed by them. (I recall that the only leftists to announce this at the time were Situationists.)

Smaller but just as significant, with regard to our domestic arena, are the relvelations of cold-warrior Brian Crozier in his autobiography *Free Agent* (Harper Collins, 1993). Yes, he was working with the CIA and MI6; most of his publications had an input from IRD, and the CIA was helping to fund the eighties anti-CND groups and activities.

Crozier's book caused a bit of a storm inside MI6 because of his official links to the service - he was known as a 'long-insider'. Attempts by the Cabinet Secretary, Sir Robin Butler, as guardian of the security services, to ban the book proved fruitless, making a mockery of the Official Secrets Act. It is not a very nice book - he is still full of silly ideas about the communist menace - nor a great one - Crozier is filled with his own self-importance - but it is an extremely interesting one. In many ways, it is the companion to *Spycatcher*, revealing the ins and outs of that twilight world which exists between the agencies and the outside contacts. Crozier has proceeded to blow it apart.

Lobster appears to have beenvery accurate with regard to Crozier's activities, and *Smear!* stands up extremely well. As was pointed out in *Smear!*, while MI5 was battling agsinst Wilson, MI6 was engaged in a much longer strategy to turn the country to the right. Crozier confirms much of this thesis and acknowledges that he played a significant role in setting the Thatcherite agenda.

A number of points are worth making:

- Crozier first developed intelligence contacts in the Far East with Reuters in 1952/3.
- In 1958 he became a contact for MI6 and the CIA. Later close links with the US DIA.
- Oddly, he gives the most praise to IRD - as anti-communist 'counter-force' with which he developed an official relationship in 1964. He says that IRD papers were 'rigorously accurate'. From the account that Crozier gives, it is possible that we have underestimated the importance of IRD.
- He largely supports our account of the Pinay Circle and Interdoc, though, naturally, there are some details which are not correct.
- ISC was extremely important in the early seventies and was, as we assumed, closely tied to IRD. Iain Hamilton was a CIA asset.
- Extremely interesting is his reference to the 'massacre' of IRD, occuring in 1973; the most important event of that year being the end of the Labour Party's Proscribed List. I recall arguing, during the writing of *Smear!*, that the reason why people such as Chapman Pincher thought that this was important was that there was a direct link between the List and IRD, which used it as a sort of official sanction to issue material about the Labour Party and extremists. Crozier appears to be suggesting that this is correct.
- Perhaps the most important point is that in Febraury 1974, as Wilson came into office, the civil service mandarins shut down the issuing of unattributable material from MI5 and IRD. There are parallels here with Pincher whose sources turned out to be MI6 and not the Security Service, as many originally assumed.
- Crozier was the catalyst for the closing down of IRD. The function was, however, carried on by the Overseas Information Department under Peter Blaker. Oddly, there is no mention of former IRD head, Ray Whitney, in the book.
- Section on NAFF is much as outlined in *Lobster* 11. Crozier reveals close ties to another Tory MP, Sir Stephen Hastings (ex-MI6), but does not reveal name of senior MI5 officer also connected to the operation.
- The role of senior MI5 Charles Elwell is told but not by name. No direct mention of British Briefing.

All in all, a fascinating book which is the start for further reserach (the anonymous MI5 and MI6 officers he talks of will not take too much effort to identify).

Worth reading as a companion piece to the above is *Intelligence and the New World Order: Former Cold War Adversaries Look Toward the 21st Century*, Eds Carl Peter Runde and Greg Voss (Intelligence Freedom Foundation, London, 1992).

This soft-back volume is a collection of speeches and question and answer sessions which took place during the autumn of 1991 in Washington and Potsdam. It is interesting to read these former Cold Warriors from the CIA, MI6 and the KGB talk about the past and the new realities. Despite the fact that such luminaries as Theodore Shackley, James Jameson, George Carver and William Colby were present, the person the KGB wanted to see and hear was Brian Crozier. He was seen as Enemy Number One - with his old friend, Robert Moss, Enemy Number Two. It would appear that they were important in shaping perceptions in the Soviet Union during the seventies and eighties. The end result being the prolonging of the Cold War as some KGB officials obviously thought that they really did represent western views.

Crozier was still running the old line that everything that had taken place in the Soviet Union was part of a grand deception scheme. The contributions from Oleg Kalugin and Vladimir Rubanov made clear that his views had as much relationship to reality as the man in the moon. The picture they painted of what the KGB did, and what it now did, were personally deeply pessimistic and depressing for these former senior officers. The service was on its last legs with foreign officers bewildered by the changes and seemingly incapable of undertaking operations. Very much like the rest of Russian society.

The other contributions from conservative western intelligence officers contain interesting snippets. In particular, that of Jameson who reveals that defectors from the KGB/GRU rarely revealed anything about Soviet society and its political make-up. Less newsworthy defectors such as academics and scientists were more fruitful.

The IFF is a very right-wing outfit but the book is wor th reading. Cost £9.95 from Publications Department, IFF (UK), Suite 500, Chesham House, 150 Regent Street, London W1R 5FA.

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Unfortunately, First Tuesday's investigation of the bombings in Dublin and Monaghan in May 1974 proved, as far as the press was concerned, to be a damp squib. With the experience of Thames' programme on Gibraltar very much in mind, and expecting to be injuncted, the producers did not alert the press to what was a devastating examination of the role of the UVF in the killing of 33 people, and its links to SAS and MI5 operative, Robert Nairac. Only the *Guardian* (16.7.93) - and then in a minute article - published the statement of the UVF in which it admitted responsibility for the bombing. Paul Foot, in his new column for *Private Eye*, did draw the obvious conclusions and the link to the July 1975 Miami Showband killings, which involved the same personnel and the ubiquitous Nairac. However, while pointing out the involvement of loyalist assassin 'The Jackal' in both episodes, he did not reveal the assassin's real name which, as everyone knows, is 'Jacko' Robin John Jackson, from Lurgan.

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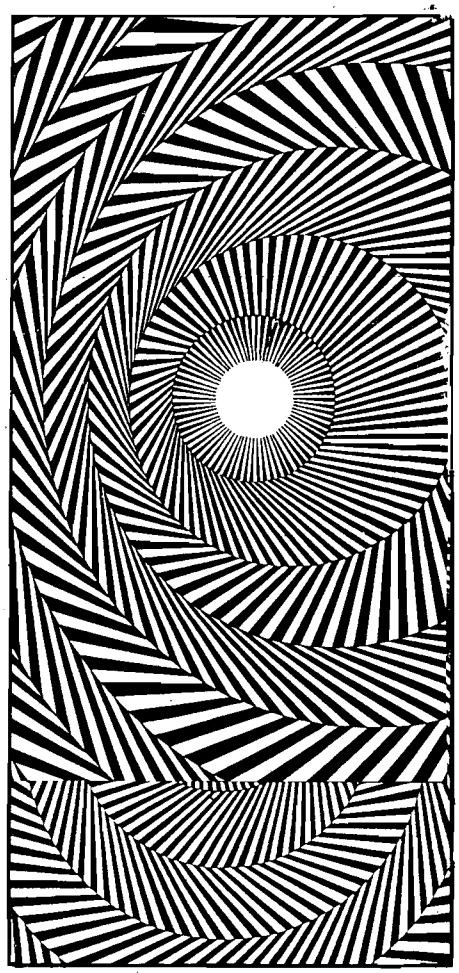

There occurred in early October 1950 a strange and fascinating incident at the Marlborough Hotel in Woodstock, Oxfordshire. The hotel was owned by Dr Donald McI Johnson, a pre-Thatcherite Tory MP and publisher of a right-wing book club. Johnson later claimed that he was involved in a 'mixed-up conspiracy'. Johnson describes in his book *Bars and Barricades* suddenly finding himself struggling with the 'forces of darkness' as 'elemental forces seemed to rise up from the floor and hit me'. Written in 1952, Johnson headed his description '*A Psychotic Episode*. That might well be true except that his wife, Betty, also experienced the same 'terrors' which were followed by 'a strange sense of uplift and elation'. Colours and shapes changed as they discovered the 'Western equivalent of a Mohammeden's paradise' and 'sexual imaginings of the bawdiest and most intimate kind'. The couple were subsequently arrested by the police and put under observation at the local hospital. Nowadays, we would recognise the sensations and events described as the result of a 'trip', except this was, of course, the fifties when no one had heard of psychedelics.

Johnson and his wife tried to make sense of what had taken place and eventually concluded that they had been slipped a drug by a mysterious and anonymous wealthy individual who used to visit their hotel with his mistress. Against the background of the Cold War and Johnson's anti-communist political views, the couple came to believe that they had possibly been the victims of 'spies and conspirators'. Johnson asked a lot of questions of the police and officials, but got no nearer to the truth concerning what had taken place.

Then, in 1958, Johnson and his wife, Betty, recognised the mysterious visitor from a photograph in a newspaper; it was Eugenio Messina, one of the notorious Messina gangsters in London, who were involved in large scale prostitution and, in the case of Eugenio, drug smuggling. In December 1958, Johnson asked a question of the Home Secretary. He asked whether the government was preparing to bring 'hallucinogenic' drugs such as 'mescalin and lysergic acid diethylamide (LSD) under the Dangerous Drugs Acts. Home Secretary Rab Butler said there were no such plans since the drugs were not 'addict-producing'. Quite naturally, his colleagues in the House had no idea what he was talking about and as far as I am aware, this was the first occasion in which the subject of LSD was raised in Parliament.

The first time that LSD was mentioned in the British press appears to have been in *Tribune* on 17 February 1956. A Charles Cassel talked about the use of mescalin and LSD - 'which produces the classic symptoms of the psychotic' - in treating mental illness. The first LSD clinic opened to the public in England, where low doses were used to treat patients, had been established in 1953 by Ronald Sandison. As far as I am aware, there is no recorded evidence of LSD being available in Britain much before that year, though the CIA were using the drug as early as 1951, and probably before that date, as part of Operation Artichoke.

The early fifties did see a number of outbreaks of poisoning by way of rye flour contaminated with ergot, which produced hallucinogenic experiences, and it is possible that the drug used on the Johnsons, if it was a drug, was mescaline - which had a much longer history. It is known that MI6 and possible Military Intelligence were testing LSD at Porton Down in the late fifties on service recruits - I have spoken in the past to one volunteer who was not told the identity of the drug, though it was clear from his description that it was LSD - but I have never since heard any reference to its use in the early fifties. The Johnson episode remains an intriguing but still unexplained episode.

See Johnson's *Bars and Barricades* (Christopher John, 1952) and *A Cassandra at Westminster* (Johnson, 1967) for background.

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As a libertarian socialist, I have always opposed Trotskyism and have no regard for the Militant Tendency and its anti-democratic set-up; however, it has always been clear to me that Derek Hatton was being hounded for political reasons and that fraud charges laid against him were a red herring. In early 1991, I suggested at a Socialist conference in Sheffield that the Hatton case was likely to be used by the Tories in a smear campaign at the next general election. In the event, the case took longer than expected to come to court and the election was well over by the time it did. What prompted my concern was an article in the *Sunday Times*.

When the case against Hatton and other former members of Liverpool Council on corruption charges opened in Mold, North Wales, the *Sunday Times* trumpeted that its own investigation had led to the court case (24.1.93). Back in October 1990, the newspaper had run a big article on *'The Man From Militant'*, proudly boasting that it handed over its research to the police who, as a result, set up Operation Cheetah in March 1990. The paper alleged that the case had 'political implications' which, it spelt out, 'money paid in kickbacks by developers and those in he building industry to secure business has ended up in the hands of the Militant Tendency... suspicions are hardening that Militant may have a nationwide network, exploiting the greed of a few individuals and companies to finance its activities'. It was also alleged that officers had been sent to the United States to investigate a possible connection between the land deals and narcotics racketeering. Investigations, said the paper, included not only Liverpool but also other town and cities. The article concluded that the investigation would 'transform what started as a localised, if large-scale, fraud inquiry into a matter of national importance - possibly even effecting national security'.

Whatever the merits of their case against Militant, it is quite clear that right-wing members of the Labour Party's hierarchy co-operated with the Special Branch in the mid-seventies on combating Trotskyist infiltration of the Party. But just as Militant operates as an anti-democratic movement, the relationship between the Labour Party and the security services is also against the interests of democracy. The Benn Diaries for that period have some interesting snippets on the sudden interest in Militant and the way people such as Joe Haines began to push the issue of infiltration in the newspapers. Eric Heffer touched upon this in his posthumous autobiography, *Never a Yes Man* (Verso, 1991), in which he writes that following Harold Wilson's resignation, Haines began to write in the *Daily Mirror* about the 'bully boys and the Trotskyists'. 'It was clear that the Intelligence Services were influencing Jim Callaghan and he became obsessed with the notion of Trotskyists infiltrating the Party (p 162).'

Labour National Agents have long co-operated with the secret state (see *Smear!* for evidence) and it is almost certain that Reg Underhill, who recently died (obit, *Daily Telegraph*, 16.3.93), did so when he launched his crusade in 1975. I have always suspected that this mutual back-scratching continued under Kinnock and was part of the reason the 'get Hatton' inquiry took off. In a recent interview, Labour's shadow environment secretary, Jack Shaw, told *Tribune* that 'corruption and Trotskyism went hand-in-hand'. Besides being a highly dubious statement - Straw should ask Jack Cunningham about his father - which he was later forced to withdraw, it was an interesting insight into Labour's view of what was happening to Hatton in Liverpool.

Police inquiries had begun in Liverpool in 1985 when Liberal MP, David Alton called for a police investigation in to the relationship between Hatton and another Labour councillor. This led to an inconclusive 18 month fraud squad inquiry. Then, in 1987, when Liberal, Sir Trevor Jones again became leader of the Council, he made inquiries about the sale of car parking sites. His discoveries, which were at the centre of the case in Mold, were reported to the Special Branch and not to the fraud squad. The *Sunday Times* Insight team went to Liverpool in early 1990.

At the time of the first arrest, Christian Wolmar, in the *Independent*, noted that while 'Liverpool has been widely touted as the biggest council scandal since Poulson, the little Tory-run West Wiltshire District Council has the superior claim to that dubious honour.' The Council had given away to former officers, for free in a management buy-out, a computer software company worth - according to the auditor - eight million pounds. Wolmar added that 'while the Liverpool saga has never been far from the front pages, West Wiltshire has largely been neglected by the national media, apart from this newspaper and a couple of items on Channel Four'. BBC's *Newsnight* programme rejected a suggestion of a programme on the Wiltshire affair because there was 'no new angle'. It did, however, run material on Liverpool, where the angle was, of course, Militant.

Cheetah wasn't the only operation which ended in disaster, with egg all over the face of the much-vaunted Insight team. *Sunday Times* editor, Andrew Neal was reported as saying that the inquiry into millionaire, Owen Oyston was potentially the biggest since Poulson. The inquiry, which was co-ordinated by Tory politicians, resulted in Oyston winning substantial libel damages. The writs are still flying and the affair is said to have cost all parties concerned around two million pounds.

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I recently picked up a copy of *Story Unused: A Correspondent in the Far East, 1963-1967* (Allen & Unwin, 1971) by former *Daily Mail* journalist, Arthur Cook. According to Morris Riley's *Philby: The Hidden Years* (United Writers, 1990), Cook, who lived in a flat opposite to Philby's in Beirut, was 'MI6 employed'. His book is very anti-CIA and very much a defence of Eden and MI6's policies. One interesting reference is to the activities of freelance journalist and ex-SOE agent, Alex Josey, who, according to former CIA officer JB Smith, in his *Portrait of a Cold Warrior* (Putnams, 1976) was working for MI6, travelling around the Far East posing as a left-winger attending socialist meetings. According to Cook, Josey had also acted as a part-time press adviser to Singapore's premier, Lee Kuan Yew. When in 1964 Lee threatened to divide the recently created Malaysian Federation by putting up Chinese candidates against Malay opposition. Josey, who was Lee's mouthpiece, was expelled. Josey wrote two highly sympathetic biographies of Lee. MI6 seem to have been very successful at getting its agents close to Far East leaders. Lt-Cdr James Donald 'Butch' Lancaster (obit, *Daily Telegraph*, 23.1.92) was a homosexual MI6 officer and close friend of Maurice Oldfield, who operated in the Far East in the fifties and later wrote some academic studies on the region. Between 1962 and 1969 he was also secretary to Prince Norodom Sihanouk of Cambodia.

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An obituary in the *Daily Telegraph* (26.3.93) for Roland Gant revealed that he had been the 'general dogsbody' for the Falcon and Grey Walls Press, a 'strange publishing venture' with an 'eccentric list' which was backed by Capt Peter Baker who was, in the late forties, the youngest sitting Tory MP. Baker had worked during the Second World War in one of the secret armies as member of the Intelligence School No 9, which was attached to MI9 along with other Tories such as Airey Neave and Maurice Macmillan. He was later involved in the Gladio networks in Europe. According to the *Telegraph* obituary, Gant had himself worked in intelligence and was involved in secret operations in France, and, it would appear since he suffered from a tropical disease, in the Far East. The *Independent* obituary (29.3.93) suggested that he was a member of a medical section which was attached to the 6th Airborne Division, and not intelligence. Also employed by Baker for his unsuccessful publishing house was a young Muriel Spark, who worked in black propaganda with Sefton Delmer. Baker was later found guilty of defrauding Barclays Bank of £40,000 and sentenced to seven years in prison.

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In *Lobster* 22 and 23, Robin Ramsay ran a couple of items on Operation Splinter Factor. I decided to re-read Stewart Stevens' book and it looks to me that he was planted with a disinformation project. There are few sources (or facts) in the book and the major ones appear to have been CIA. The book appeared in 1974, having been written 1972 onwards. It could not have appeared earlier because it relies to a great extent on accounts written by exiles who appeared in the aftermath of the upheavals of 1968 in Eastern Europe. It was the time when the first details of the failed Red Sox operations by the CIA in the Soviet Bloc were beginning to be revealed by Kim Philby and others. My own view is that it was designed to save face and present a picture of a super sophisticated agency which was pulling the strings in the background. However, its account of what was actually happening in the Soviet Bloc in the late forties and early fifties is unreliable and does not take into proper account the real Stalin-Tito split which was behind the murderous show trials. Well work reading for those interested in this area is 'The Cominform: Tito's International', a revisionist account by Geoffrey Swain (*Historical Journal*, 35, 3 1992), which suggests that since the early days of the Second World War, Tito had been committed to establishing resistance movements made up of popular fronts which were to be formed 'from below'. For a short period after the war, Tito succeeded in persuading and supporting - by his control of the Cominform - a number of communist parties (Bulgaria, Albania, Greece etc) to break with parliamentary-based coalition parties, which Stalin supported, and, instead, start European-wide resistance to the new fascism which he felt the United States intended to impose. Stalin wrested control of the Cominform from the Titoists and used it to smash these new movements and purge those communists who had engaged in wartime resistance groups of which the Slansky trial in Czechoslovakia is the most well-known. Noel Field was used as a pawn and a cover by the Stalinists because of his wartime resistance links to these Titoists not because there was any real concern about then current intelligence links. Powerful support for Swain is documented in Beatrice Hauser's very good *Western Containment Politics in the Cold War: The Yugoslav Case 1948-53* which was published in 1990.

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Nearly all obituaries of right-wing, anti-Bevanite Labour MP, Alice Bacon, were extremely positive - Bacon as a nice little old lady. In fact, she was a particularly nasty piece of work and only Ian Aitken in the *Guardian* (31.3.91) made anything of her role on the Labour Party's National Executive's organisation sub-committee, where she worked conspiratorially with the National Agent, Sara Barker. It has now been documented that much of their anti-communist witch-hunting relied on a steady supply of material from the Special Branch, MI5 and IRD. Bacon and Barker activities contributed a great deal to the mutual hatred which existed on the NEC; a hatred so intense that members used to throw up in the toilets before attending.

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The British have a propensity to repeat successful operations during counter-insurgency wars. It has been pointed out before, in *Lobster* 10, that the well-known use of a laundry van in Northern Ireland for intelligence gathering had a precedent in Palestine in the late forties. I have just come across another example in Charles Allen's *The Savage Wars of Peace* (Futura, 1991). One of Frank Kitson's officers in Kenya in the mid-fifties describes using a mobile laundry unit for surveillance in hostile areas and then as a hide-out for a shoot-to-kill policy. It 'struck gold... almost for the first time we had got hold of a really good bit of information'. The men inside the van then began firing as 'opportunity targets' presented themselves ' like some sort of grotesque fairground booth'.

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The Security Service's liaison officer in the United States was, until recently, the Hon Elizabeth Manningham-Buller, who, in July 1991, married David Mallock in Washington. The forty-four year old graduate of Lady Margaret Hall, Oxford, is the daughter of Viscount Dilhorne, Conservative Lord High Chancellor from 1962 to 1964. At university she was active in the Dramatic Society where she played the roles of the Fairy Queen in a production of a pantomime produced by Gyles Brandreth, now a Conservative MP. She is a also friend of Jonathan Aitken, minister of defence procurement at the MOD.

STEVE DORRIL

Spooks

Although the publication of *Lobster*'s *Spook's Who's Who* appeared to be met by an official wall of indifference, within the Foreign Office, it did cause a few ripples of anxiety. Tony Ford of the Security Department sent a letter to those named in the list, warning them of its existence. Interestingly, having considered whether this had implications for the security of those named, the Security Department thought that my argument that there is no evidence that terrorists had exploited information appearing in the past copies of *Lobster* 'is probably true'. While speculation that *Lobster* might have 'other sources' than publicly available sources, its 'researches show that up to 20 different publications contain biographical information about the Service in one form or another'. The Department wrote to one named person that its 'preliminary view is that the latest publication is unlikely to increase your vulnerability'. (Ramsay, in *Lobster* 25, refers to some notation on the copy, the person's identity is known to me and is not significant.)

A good example of the way the old-boy network works, both inside British intelligence and in post-war Britain, is contained in the history of the *Daily Telegraph* (DT), *The House the Berry's Built* (Coronet, 1991), by Duff Hart-Davis (who is, himself, rumoured to have 'six' connections). **Gordon Shepherd** had been a Lt-Col in British Intelligence during World War Two and stayed on after hostilities to direct intelligence in Vienna, where he married an Austrian named Brook. Demobilised in 1948, he obtained an interview with the *Telegraph* through **Alan Pryce-Jones**, who had worked in intelligence during the war and was now Editor of the *Times Literary Supplement*. Taken on by the *Telegraph*'s owner, Lord Camrose (who was close to the editorial writer and former MI6 officer, **Malcolm Muggeridge**, who was still acting as an MI6 agent), he was employed by the Foreign Editor **S R Pawley**, who we now know was also recruited by MI6 to help run journalist agents. In June 1948, as the Iron Curtain came down, heralding the start of the Cold War, Brook-Shepherd was appointed the *Telegraph's* correspondent in Vienna (pages 155-7).

Some of the spooks spotted recently include:

Roderick Braithwaite - former ambassador in Moscow, became head of the Joint Intelligence Committee in the spring of 1992.

Gerald Warner - appointed Co-ordinator of Intelligence and Security in the Cabinet Office (*Guardian*, 2.10.91). He is believed to have been deputy chief of MI6. A career officer with a great deal of experience in the Far East, before returning to London in 1977 Warner served in Peking, Rangoon and Kuala Lumpur.

Sir Dick White - MI5 Director-General and MI6 Chief, obit - (*Independent*, 5.3.93).

Geoffrey Hancock - Post-war, MI6 station chief Middle East, no date.

Alexander Part - 1915, according to his son, 'already involved with the Secret Services (which, in later years, he used as a cover for his marital infidelities)' (p. 2 Anthony Part, *The Making of a Mandarin*, Andre Deutsch, 1990).

Sir John Wallinger - former Imperial Indian Police, model for Somerset Maugham's 'Ashenden', head of intelligence operations in France and Switzerland. Maugham's friend, **Gerald Kennedy**, portrait painter and MI6 officer and assassin WW1 (*Sunday Times* (ST), *10.11.91* and *DT*, 14.12.91).

E K Waterhouse - undertook intelligence work in the Middle East during WW2, later art historian, Oxford (p. 200, Victor Rothwell, *Britain and the Cold War*, Jonathan Cape, 1982).

Ferguson Dempster - MI6 officer 1950s, helped set up in 1969 Diversified Corporate Services in Mexico City with the CIA's first station chief in London, Winston Scott (see Dick Russell, *The Man Who Knew Too Much*, Carroll & Graf, USA, 1992). DCS now looks to have been a major MI6 operation as it had branches in Rome and the already known one in London.

John Royston Morley - d 14.10.91. Television producer, worked for the BBC during WW2 as a war correspondent based in Cairo 'his family say that he was also working for MI5'. In fact, he worked for MI6 and was later asked to play a part in the assassination attempts against President Gemal Nasser (see the latest edition of Tony Benn's Diaries).

Antony Melville Ross - thriller writer, served as a submariner during the Second World War and transferred into MI6 shortly after the end of hostilities. (Died, 10.1.93. Obituary, *I*, 22.1.93).

Sir Anthony Gray - pre-war joined the Royal Institute of International Affairs, WW2 'became engaged in war work, often of a secret nature, about which, afterwards, he would never speak' (*I*, 10.8.92). Post-war British council and Hulton Press; 1952, Treasurer of Christ Church, Oxford.

David Bickford - MI5 legal adviser, appeared at the Matrix Churchill trial (David Leigh, *Betrayed*, Bloomsbury, p 131).

D Stilbury - 1976, MI5 officer in F4 (Trade Unions and the Communist Party of Great Britain).

Captain Dillon - 1915, MI5 officer. Interrogated Margaretha Zelle Maclead, 'Mata Hari' (*DT*, 14.1.92).

Harry Williamson - WW2 MI5 double-cross agent. Obit *DT*, 23.10.92 and *The Times*, 24.10.92.

Judge Neil Gow - QC, Sheriff of South Strathclyde, lieutenant in the Intelligence Corps in 1951 with **David Cornwell** (John le Carre). Approached by MI5 when secretary of Glasgow University to provide information on left-wing students - a request to which Gow agreed (*ST*, 12.1.92).

Edith 'Jo' Kirby - sister of Stuart Kirby (see previous lists), born in Japan, fluent Japanese speaker. Outbreak of WW2, joined the WRN but soon transferred to Military Intelligence and worked closely with Mountbatten in SE Asia. Involved in interrogation of Japanese POWs. Following war, continued to work in MI - code-breaking (information source: Steve Blamires).

Dennis F Millar - involved in the 'Monty's double' operation in WW2 (letter, *Observer*, 22.11.92).

Molly Izzard - author of a new biography of Dame Freya Stark, 'worked in intelligence during the Second World War' (*G*, 30.1.93).

R H C Steed - *Daily Telegraph*'s influential Cold War specialist (Obit, *DT*, 4.2.93). WW2 Intelligence Corps, debriefing German POWs in North Africa. Post-war, became diplomatic correspondent in Rome.

Jerry Sanders - executive editor of *PC* magazine. Doctorate in Spanish Literature, he spent a long stint at GCHQ investigating machine translation. Then a short spell at the BBC (*PC* magazine, November 1992).

Tony Sale - Bletchley WW2, now working at the Science Museum.

Lady Jane Heaton - WW2 WRNS and then Bletchley Park working on Enigma machines, d. 22.10.92.

Terry Leatham - headmaster Caterham School (1950-73), d. 11.9.91. WW2 intelligence officer with the British Expeditionary Force to Norway, then Bletchley Park, Hut 3 (Ultra), head of military section.

Judge Norman Broderick - WW2 served in the Ministry of Economic Warfare and was concerned with the Enigma machine, d 27.6.92.

Sir Clive Leohnis - Director GCHQ (1960 - 64). Obits, *DT*, 26.5.92 and *T*, 28.5.92.

Sir John Galsworthy - WW2 Bletchley, administrative assistant, post-war Foreign Officer. Obit, *DT*, 22.5.92.

Sir Andrew Gilchrist - Special Operations Executive (SOE), Force 136, Far East. Obit, *DT*, 10.3.93.

Col Maurice Buckmaster - SOE Head of F section. Obit, *I*, 25.4.93).

Col D R Guinness - 1942 SOE Planning Staff.

Col Brian Clarke - 1942 SOE, Head of Station Gibraltar.

Col J W Munn - SOE Commander of Massingham.

David Keswick - SOE second-in-command of Massingham.

Major John Maude - Major D Scherr and **C T Young** - 1945 SOE Middle East (Richard Aldrich, *Unquiet in Death: The post-war survival of the Special Operations Executive*, 1945-51, in Contemporary British History, 1931-61, London, 1991).

Edward Renton - 1945 SOE HOS Austria.

Lavensdall - 1945 SOE Far East, Force 136.

Col Tulloch - 1940-45 SOE Far East, 1945-48 remnants of SOE Burma.

John 'Radio' Brown - obit *DT*, 13.2.91. An electronics expert who devised and enhanced SOE communications during WW2.

Jerry Parker - SOE radio an signals specialist. Obits *DT* and *I*, 27.8.92.

Group Captain Ron Hockey - RAF pilot who flew over eighty clandestine missions for the SOE. Obit *DT*, 25.2.92.

Max Salvadori - SOE Italian affairs, post-war the United Nations and NATO, d 6.8.92.

Henri Despaigne - SOE France and Burma, post-war in the City, d. 5.7.92.

Mentioned in previous *Lobsters*:

Ellic Howe - d. 28.9.91 (obit, *I*, 2.10.91).

Leonard St Clair Ingrams - OBE. Father of Richard Ingrams. A freelance banker, died in 1953 aged fifty three. He attended dinners of the Anglo-German Fellowship which may explain his son's view that he 'was mixed up in intelligence for quite a lone time before the war'. (*Independent on Sunday*, 16.2.92).

Sir Charles Villiers - SOE. Obits, *DT* and *I*, 24.1.92.

Capt Michael Lees - SOE Yugoslavia and Italy. Obits, *DT* and *I*, 26.3.92.

Herbert Hart - MI5. Obit, *I*, 23.12.92.

Baroness Airey of Abingdon - died 27.11.92. WW2 liaison work for the Political Warfare Executive with the exiled Polish government's Ministry of Information, involved in propaganda work (obit, *DT*, 1.12.92).

Charles Fraser-Smith - SOE/MI6, known as 'Q'. Obits, *I* 10.11.92 and *DT*, 12.11.92.

Anthony Terry - Army Intelligence WW2, post-war believed to be MI6. Obits, *I*, 3.10.92 and *DT*, 21.11.92.

Lady Ewart-Briggs - former MI6 secretary and wife of Christopher (in charge of MI6 and GCHQ at the Foreign Office in the sixties). Obit *DT*, 9.10.92.

Sir Robert Thompson - died 16.5.92. Obit, *DT*, 20.5.92.

The Pinay Circle Complex 1969-1989

PART ONE

Lobster European correspondent, DAVID TEACHER probes the European connections of the Pinay Circle, which recently came back into the news. One of the most interesting snippets in Alan Clark's best-selling Diaries *is his desctription of a Pinay meeting in Oman, in 1990. Arranged by Jonathan Aitken and with the permission of his ministry, Clark attended along with Julian Amery, Nicholas Elliott and Anthony Cavendish. Clark mischieviously reveals that the Circle was financed by the CIA. Brian Crozier, in his autobiography,* Free Agent, *goes into the history of the Circle and its European off-shoots in some detail. Unfortunately, it appeared too late to affect David Teacher's article, but a piece on Crozier's revelations will appear in the next Lobster.*

Hans Langemann

Graf Huyn

It was in 1951 that the then Cabinet Minister, Antoine Pinay, first met Jean Violet, a Parisian lawyer close to the CNPF (French employer' federation). Pinay sought out Violet for legal advice about war reparations payments for a Geneva-based firm whose German factory had been seized during the war. Pinay was evidently satisfied with Violet's work as he recommended the lawyer to Pierre Boursicot, head of the French intelligence service (SDECE). Violet helped the SDECE where he could, and, after the arrival of General Grossin as the new head of the service in 1957, Violet was taken on as an agent and given missions of increasing political significance. Violet would rise to become perhaps the SDECE's most valued "Honourable Correspondent"; it is indicative that throughout his intelligence career, his case officer was the head of the service - first Grossin, then Jacquier, then Libot. An early associate of Violet's in his work for the SDECE was fellow agent **Father Yves-Marc Dubois**, foreign policy "spokesman" for the Dominican order, unofficial member of the Pontifical Delegation to the UN, and believed by the SDECE to be the head of the Vatican secret service. The pair were active in the United Nations in the mid-50s, to prevent UN condemnation of France's Algerian policy, when Violet was attached to the French delegation headed by Antoine Pinay. Another major focus for Violet and Dubois' activities for the SDECE was Eastern Europe: they received half a million francs a month from General Grossin to run "the Church of Silence", Catholic networks behind the Iron Curtain.[1]

Another early contact for Violet, also thanks to Pinay, was **Franz Josef Strauss**, German Defence Minister, Bavarian Premier and head of the CSU party who was later to become a key political figure in the Pinay Circle. In 1964, recommended by Strauss, Violet acting for Pinay presented enormous claims for reparations to the German Finance Ministry, allegedly for deliveries of metals to the Germans during the occupation of France. Strauss advised that the Ministry pay up in the interests of Franco-German friendship, but it transpired that the delivery notes were fake, and the swindle was exposed.[2]

Despite this setback, Strauss introduced Violet to **Archduke Otto von Habsburg**, a key figure in international right-wing parapolitics. As well as being heir to the Austrian throne, Archduke Otto is a Member of the European Parliament, where he defends CSU foreign policy. In 1969, Pinay, Violet and Archduke Otto combined to form the Pinay Circle. Besides the contacts Violet had built up during his time at the SDECE and the UN, the nucleus of the Pinay Circle lay within two

movements controlled by Archduke Otto. The two movements were the **Paneuropean Union** (PEU), founded in 1922 by Archduke Otto, and the **Centre Européen de Documentation Internationale** (CEDI), founded in 1949 by Archduke Otto and Pinay Circle member **Alfredo Sanchez Bella**, a Minister under Franco, who is reputed to have been head of European operations in the Spanish secret service, and whose brother was a leading member of Opus Dei.[3]

It was at a symposium organised by Archduke Otto in Vienna in May 1969 that Jean Violet met the Belgian, **Florimond Damman**. Damman was Secretary-for-life of the **Académie Européene des Sciences Politiques** (AESP), which he had founded in January 1969 as a dinner club for top European conservatives. Besides the AESP, Damman also ran the Belgian PEU section, the **Mouvement d'Action pour l'Union Européene** (MAUE), and liaised with CEDI, being close personal friends with Sanchez Bella. Damman also worked closely with **Paul Vankerkhoven** who ran the Belgian section of CEDI. Besides serving as a member of the Permanent Delegation of the AESP and Vice-President of MAUE, Vankerkhoven ran the Belgian section of the World Anti-Communist League (WACL), the Ligue Internationale de la Liberté (LIL), which he had founded in 1969. In the same year, Vankerkhoven also set up the right-wing club, the Cercle des Nations, a frequent meeting place for Damman, Violet and other members of the AESP, MAUE, CEDI and WACL. Vankerkhoven worked with Damman's Europe-Grèce group to organise a Cercle des Nations reception in honour of the Greek colonels in April 1970, and Vankerkhoven and Damman jointly organised the 1970 Congress of the Anti-Bolshevik Block of Nations in Brussels. Vankerkhoven would be a central figure in Belgian parapolitics in the 1980s.[4]

At the time Damman and Violet met, Damman was already planning a new group, **CREC**, together with **Yves Guérin-Serac**, leader of the fascist terror group **Aginter Press**, founded in September 1966. The propaganda put out by Aginter Press had already been distributed for several years by LIL's newspaper, Damocles, but Guérin-Serac's purpose in visiting Brussels in January 1969 was to make more contacts. His guide was Damman, and Damman started by inviting Guérin-Serac to the AESP's 12th "Charlemagne Dinner" on 27 January 1969. Amongst the illustrious guests were Archduke Otto and Belgian Prime Minister, Gaston Eyskens; Guérin-Serac's dinner companions at table G included the Prince and Princess of Merode and **Emile Lecerf**, later implicated in rumours of a planned coup in 1973 and a strategy of tension in the 1980s.

Guérin-Serac and Damman concluded an "agreement in principle" to found a group, **CREC**, which would try and reconcile two conflicting positions: the traditional right, anti-communist but not anti-parliamentarian, and the revolutionary extreme right represented by Guérin-Serac. Guérin-Serac and Damman then met at least twice more, as detailed in a progress report written by Guérin-Serac on 19 May 1969:

"We should take stock of the progress made in our effort to set up CREC. I must admit that little progress has been made since the beginning of the year, ie since the agreement in principle on the two syntheses... the major reasons for this delay are:

- the difficulties suffered by the group of our Italian friends as a result of the chaotic and revolutionary situation in their country;

- the centrifugal tendencies of the French group, whose conversion has not yet been completed.

...We should not however give up. In a Franco-Belgian preparatory meeting held in Brussels in March, we agreed on the following work programme:

A - Definition of basic political positions with regard to European union.

B - Definition of goals and strategy.

C - Organisation of a structure for CREC: bases and statutes.

D - Preparation of a political plan and a psychological plan to be implemented by CREC.

E - Organisation of a financial committee.

In the meeting in Vienna at the beginning of this month, it was suggested we drew up a questionnaire so as to facilitate the definition, classification and alignment of the political ideas held by the various groups active on the subject of European union."[5]

It is intriguing that Guérin-Serac mentions a meeting with Damman in Vienna in May 1969; as we have heard above, Damman met Violet in Vienna the same month - could this be a Violet/Damman/Guérin-Serac meeting? There is no indication that Damman was aware of Aginter Press' real rôle, but with his excellent intelligence contacts, it would be surprising if Violet did not know of Guérin-Serac's activities. The Aginter Press had several functions: it ran an international intelligence service together with the Portuguese secret service PIDE working in collaboration with the CIA, the West German BND, the Spanish DGS, the South African BOSS and the Greek KYP. A further section provided for the recruitment of terrorists for bomb attacks and assassinations - an important contact here was **Stefano della Chiaie**, referred to in the Guérin-Serac progress report as "the group of our Italian friends". A third group dealt with psychological operations, and Aginter press' forth section, called Ordre et Tradition was an international fascist contact network with a clandestine paramilitary wing, the Organisation Armée contre le Communisme International. It is possible that the new group CREC was intended to provide Ordre et Tradition with links to top conservative politicians, a bridge between the revolutionary fascist underground and "respectable" politicians.

The links between Aginter Press and the Pinay Circle were alluded to by **Guido Giannettini** in an interview with *L'Espresso* on 24 March 1974. Giannettini, a right-wing journalist with extensive intelligence contacts, was della Chiaie's protector within SID, the Italian secret service. A main suspect in the Piazza Fontana bombing in Milan on 12 December 1969, Giannettini was one of the most active members of Aginter Press, liaising between Aginter Press, the OAS and the Italian group centred around della Chiaie.[6] In the 1974 interview, Giannettini explained:

"I passed my information on to some friends in certain lilieux of the international Right. They passed me theirs... the practical form for this exchange was private bulletins which circulated amongst certain European groups of the Centre-Right... such as, for example, the Bavarian CSU party, the French "geopolitical groups" [eg, the Pinay Circle], and other groups in Belgium, Switzerland and almost every country in Europe."[7]

It is uncertain how far the CREC project got. However, the links between the AESP, Aginter Press and the group of Italian terrorists centred around Stefano della Chiaie are indicative of a climate: four years later, in 1973, several of the most prominent AESP members would be named in a gendarmerie report about a rumoured plan for a coup d'état in Belgium (see Part Two). Whatever the outcome of the CREC project, Florimond Damman would soon find other outlets for his energy - a revamped AESP under the command of Jean Violet, and a revolutionary development in technology, the **sniffer planes**.

* * * * *

One month after the May 1969 meeting between Damman and Guérin-Serac, Pompidou was elected President of France, Alexandre de Marenches (later a Pinay Circle contact) became head of the SDECE,

and Jean Violet found himself evicted from the cosy niche the service had offered him since 1957. The SDECE could no longer afford the exorbitant cost of Violet's operations - Hans Langemann reported that General Jacquier, head of SDECE from 1962 to 1966, was giving Violet DM 72,000 a year and that Violet was getting the same sum from the BND's General Gehlen. It is also possible that Violet, the "eminence grise", had accumulated too much power for comfort.

As a result, Violet needed to find a new organisation which could continue the work he had been carrying out whilst with the SDECE. Violet thought of Damman and the organisation he ran, the AESP. Violet wrote to Damman on 21 October 1969, saying he had been "mandated by President Pinay to carry out a study of European perspectives after the German elections", and asking to meet Damman. The meeting took place one week later on 28 October in Brussels, where Violet was accompanied by Marcel Collet, who had just retired as director of Euratom, and Vittoria Pons, International Secretary-General of the Paneuropean Union and later an AESP member. Over lunch, Violet, Damman, Collet and Pons agreed on the new rôle for the AESP, which Violet could now head. Violet announced that he would go to Pöcking, Archduke Otto's seat, on 2 October to confer with the Archduke and Franz Josef Strauss about the financing of the AESP.[8]

At the same time as Damman and Violet were busy setting up the new form of the AESP, they were also working on the trials and marketing of "an incredible technological breakthrough" - the ability to detect underground liquid deposits from the air. The procedure had been developed by an Italian, Aldo Bonassoli working with the Belgian Count, **Alain de Villegas**.

Count Alain de Villegas was not stranger to Damman; his elder brother Diego de Villegas was married to Damman's sister, and Alain himself was a member of the AESP Permanent Delegation, the "inner circle" that dealt with AESP business. At the end of 1969, de Villegas, Damman, Violet and another AESP and MAUE member, **Baron Bernard de Marcken de Merken**, met at the Westbury hotel in Brussels to discuss how to proceed with the sniffer plane project, The AESP and the Pinay Circle could provide the necessary contacts: the crucial question was to get an impressive first contract for field trials and financing. After an abortive attempt to obtain financing for the project from American industrialist Crosby Kelly, de Villegas visited the Spanish Embassy on 6 April 1970 to lunch with the Ambassador La Orden, also an AESP member.

As well as being Ambassador, La Orden was also Secretary-General of the Spanish Ministry for Information and Tourism, the Minister being Pinay Circle member Sanchez Bella. Bella's rôle as Minister for Tourism allowed him to promote Villegas' scheme: de Villegas flew out to the Canaries in December 1970 with a contract to discover underground sources of drinking water on a massive tourist camp-site owned by Villegas' friend, Baron de Merken. The financing was also provided thanks to Pinay Circle contacts - **Carlo Pesenti**, an Italian industrialist who was an AESP member and who bankrolled the Pinay Circle, would provide funds, and Sanchez Bella used his contacts as advisor to the Union des Banques Suisses to arrange for the UBS Director, **Philippe de Weck**, to come and witness the trials. De Weck was the main financier later implicated in the sniffer plane scandal; he would serve as Chairman of de Villegas' sniffer plane company, FISALMA.[9]

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The strategy of the Academy was set in a series of twice-yearly meetings, held on the Ile Saint-Honorat off Cannes, attended by Damman, Violet, his associates Marcel Collet, François Vallet and Father Yves-Marc Dubois and other representatives of CEDI and the PEU.

Florimond Damman described the function of the Academy as a right-wing clearing-house in his note 229:

"Everywhere in Europe, there are people who share our ideology and who are unable to contribute to it because they are, and above all, they feel, isolated. The same applies to the small, restricted and regional groups which are jealous of their independence and their individuality, and we have to allow them that. We should not impose a line of conduct on them, we should suggest certain initiatives to them, but also find a way of bringing together their leaders on an individual basis, setting up permanent liaison between them without giving them the impression that they are linked, consult them for certain missions and make them believe that they have taken the initiative in giving us their approval."[10]

Another intention behind the new-look Academy was to absorb or dominate the other right-wing movement sin Europe, particularly CEDI and the PEU. Violet and his Circle would remain in the background as the puppetmasters. The death of PEU President Count Richard da Coudenhove-Kalergi on 27 July 1972 cleared the way for Archduke Otto to become President of all three organisations - the PEU, CEDI and the AESP. In 1970, the AESP already included the most important members of the Pinay Circle - Archduke Otto, Pinay, Violet, Father Dubois, Pesenti and Sanchez Bella; by 1978, the Academy had expanded to include most of the leaders of national PEU and CEDI sections.

Whilst the Academy was working on Continental contacts, Violet had been making efforts to intensify co-operation with groups in other countries where the Pinay Circle contacts were weak, notably the Anglo-Saxon world. Violet's chosen partner was the organisation run by his fellow Pinay Circle member, Brian Crozier: the **Institute for the Study of Conflict**. (See *Lobster* 11 for full background on the ISC.)

Quite when Violet first met Crozier is uncertain; however, the first concrete project for co-operation between the Pinay Circle and the ISC was the commissioning of an ISC Special Report, *European Security and the Soviet Problem*, published in January 1972, which the Circle showed to Nixon, Kissinger, Pompidou and the Pope. The Pinay Circle were delighted with the result, as an internal ISC memo dated 21 January 1972 shows. The AESP did not delay in making use of the ISC study: in a letter dated 28 January 1972, Violet asked Damman to send out four pages from the ISC report to all addresses on the Academy's mailing list. An AESP/MAUE activity report for the first quarter of 1973 gives a picture of the intensity of Violet's operations; a note indicates that the total number of mailings sent out by the Academy in 1973 would exceed 50,000. Encouraged by this initial venture, the Pinay Circle decided to allocate a grant of £20,000 to the ISC for 1973. This grant effectively replaced CIA funding and represented the bulk of the ISC's budget:

"The Kern House subsidy continued until at least the middle of 1972, by which time other sources of finance had materialised. Together with 2,000 odd subscriptions to ISC publications, they make up ISC's budget of, as of 1976, over £30,000."[11]

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The 1973 AESP/MAUE quarterly activity mentions a major theme for the Academy's work form 1973-1975: a campaign, running under the slogan "Free movement of persons and ideas", to collect signatures of European mayors and distinguished persons for a petition on human rights based on the Helsinki Appeal. Typical extracts from the report are:

24.1.73	Contact dinner at the Cercle des Nations - Minister von Merkatz, Archduke Otto.
25.1.73	Meeting of the Permanent Delegation of the AESP. XVII the Charlemagne Grand Dinner - more than 200 attended - wide

press coverage of Archduke Otto's speech.

26.1.73 Assembly of the Academy and lunch at the Cercle des Nations - over one hundred participants - wide-ranging and lively debate on Mr Violet's speech about the Helsinki Appeal.

27.1.73 Contact meeting at the Westbury - Mr Violet, Mr Vallet, Count Villegas and Mr Damman.

Contact meetings with Mr Vandoros from Athens, Schwarzee from Bonn, Greig from London, Trainar from Limoges.

5.2.73 Mailing of 2,000 copies of **Europe Information**.

15.2.73 Start of dissemination of the 10,000 Helsinki Appeals: printing. Printing of 7,000 accompanying letters and 7,000 reply coupons. This operation will continue throughout March, April, May and June 1973.

17.2.73 A MAUE delegation attended the Assembly of the Beweging voor de Verenigde Staten van Europe (Movement for the United States of Europe) in Antwerp. Further meetings with Mr André Voisin and Mr Max Richard. Contact with Mr Thomson (Labour Party), British Member of the Commission of the EEC, Mr Molenaar, President of the Dutch European Movement, Mr Koppe of Europa Union Deutschland, etc.

5.3.73 **Damocles**, the monthly journal of the Ligue Internationale de la Liberté, distributed 1,000 Helsinki Appeals.

30.3.73 - 1.4.73 Participated in the Wilton Park meeting in Madrid. "The economic future of Europe and inflation". Belgian delegation: Mr and Mrs de Limelette, General Vivario, Mr Damman, Mr Jonet, Miss Verlaine, Mrs Bauduin.

Academy contact meeting: Messrs Violet, Vallet, Jonet and Damman.

Contact with Don Manuel Fraga-Iribarne, former Information Minister, who is completely won over to our cause."[12]

Hans-Joachim von Merkatz, a former German Minister, was an active member of CEDI, and Board Member and later President of the PEU, and had been a Member of Honour of the AESP since 1970. The Charlemagne Grand Dinner mentioned, held in Aachen, was attended amongst others by Florimond Damman, Count Alain de Villegas, and three Pinay Circle members: Archduke Otto, Giulio Andreotti and **Graf Huyn**, foreign policy spokesman for the CSU. "Mr Greig from London" presumably refers to Ian Greig, later Deputy Director of the Crozier/Stewart-Smith group, the Foreign Affairs Research Institute. The various groups for European Unity are sections of either Archduke Otto's Paneuropean Movement or the European Movement, a CIA funded outfit set up by Dr Joseph Retinger, who also was the guiding light behind the Bilderberg Group.[13]

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The reference to Wilton Park is intriguing: Wilton Park was a forum for propaganda activities by the British Foreign Office. In his 1966 study of "anti-communist political warfare", Geoffrey Stewart-Smith lists Wilton Park with the IRD:

"It is generally felt that the Research Department and its sister organisation, the Information Research Department... have a staff which is woefully inadequate in view of the growing importance of its work, and that its personnel are underpaid. Now if any British taxpayer's money is being spent on strategic political warfare, it is spent in the work of these two departments... Wilton Park at Steyning, Sussex, controlled by the Information Executive Department, 'is an institution sponsored by Her Majesty's Government. But, while the Government finds about seven-eighths of the money required to run it, the Warden has a free hand and is responsible for the planning of conferences... Wilton Park conferences of which there are usually ten a year, are a British contribution to the creation in Europe of an informed public opinion' (H Koeppler, The Aims of Wilton Park, Central Office of Information, 1960, p 8)"[14]

Wilton Park seems to have been a significant component in the Pinay Circle complex: an international network of "Friends of Wilton Park" was set up from 1968 onwards. Branches were founded in France, Belgium, Spain, Germany and Austria, followed by Switzerland in 1976 and Italy in 1978. In the latter year, a European Liaison Committee of Associations of Friends of Wilton Park was set up; amongst the nine founding members were Jean Violet, Sanchez Bella and MAUE Vice-President Jaques Jonet.

Besides its links to Wilton Park, the AESP further developed its international contacts with the help of the ISC: a letter form Damman to Violet dated 12 September 1973 states that "a contact meeting was held with one of the staff of Brian Crozier, founder and director of the Institute for the Study of Conflict". This undoubtedly refers to an AESP meeting held on the same day at which a decision was taken for the Academy to work together with **Interdoc**.[15]

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In 1972, whilst Violet and Damman were establishing links with Brian Crozier and the ISC, several leading AESP/MAUE members set up a right-wing ginger group within the major Belgian conservative party, the Parti Social Chrétien. The group, **CEPIC**, the Centre Politique des Indépendants et des Cadres Chrétiens, would later become an official section of the PSC. In September 1973, a gendarmerie report by Major de Cock implicated several prominent AESP/CEPIC members in funding an extreme right group, the **NEM Clubs**, which were named in a 1976 gendarmerie report by Roger Tratseart as major participants in plans for a coup d'état.[16]

The most prominent founding member of CEPIC to have belonged to Damman's Academy was **Paul Vanden Boevnants**, commonly known as **VdB**. VdB, a former Belgian Prime Minister and in the early 1970s Defence Minister, had been an AESP Member of Honour since at least June 1970. He would rise to become President of CEPIC form 1977 onwards and leader of the PSC. Besides being condemned in 1987 for massive frauds from 1967 to 1982. VdB was also implicated by the de Cock report in funding groups planning a coup d'état. At the time, VdB was Belgian Defence Minister, the minister responsible for overseeing the gendarmerie.

Another figure common to CEPIC and the AESP is **Baron Bernard Marcken de Merken**, who was present at the 1969 Violet/Damman/Villegas meeting which launched the sniffer plane scheme, and whose tourist campsite in the Canaries was the object of the first sniffer plane test. De Mercken had served as a Board Member of Damman's MAUE since 1970. De Mercken was also named in the de Cock report.

A third key figure in CEPIC was the CEPIC treasurer, **Baron Benoît de Bonvoisin**, also known as the **Black Baron**, Van de Boeynant's political advisor whilst VdB was Defence Minister. De Bonvoisin is one of the most notorious characters in European fascism with particularly closed

links to the Italian MSI and Stefano della Chiaie; in 1975, de Bonvoisin would host a gathering of European fascists at his castle at Maizeret, attended by the heads of Ordine Nuovo, the MSI, the National Front, Fuerza Nueva and the French Forces Nouvells, amongst others. De Bonvoisin was one of those named in the de Cock report as a souce of finance for the NEM Clubs A 1978 AESP membership list states that de Bonvoisin worked with Damman both as a member of one of the Study Groups within the AESP and as a Board Member of MAUE; a 1981 report by the **Sûreté de l'Etat**, Belgium's internal security agency, makes it clear that de Bonvoisin took over MAUE after Florimond Damman died in July 1979. De Bonvoisin was also an intimate of Otto von Habsburg, and has admitted to being in contact with Jean Violet.[17]

The NEM Clubs themselves were formed of readers of the Nouvel Europe Magazine, edited by another AESP contact, **Emile Lecerf**. Lecerf was a longstanding acquaintance within AESP circles: he ran LIL with AESP/MAUE member Paul Vankerkhoven in the early 1970s and was a guest at the 1969 Charlemagne Dinner organised by Florimond Damman, where he shared a table with Yves Guérin-Serac. This contact between the AESP and Aginter Press, masters of the strategy of tension, has not figured in the official enquiries into destabilisation in Belgium, despite the implication of the NEM Clubs not only in the 1973 coup plans, but also in the strategy of tension in Belgium in the mid 1980s.

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The Europe Information referred to in the 1973 AESP/MAUE activity report was the Academy's bulletin with a print run of 2,000 copies. Violet felt that the Academy's bulletin was not prestigious enough to be the vehicle of AESP/ISC material, and so in 1973 an existing journal, the Bulletin de Paris, was taken over, and a second, Le Monde, was founded. Over the next few years, these two publications were to be a major French-language outlet for ISC reports. The Bulletin de Paris, close to the conservative white-collar union CGC, concentrated in 1974-75 on similar themes to the ISC: the chaotic situation in Portugal, communist designs on Southern Africa, threats to the Cape route, the dangers of detente and, of course, the war of subversion waged by the Soviet Union. Amongst it correspondents were Gilbert Comte, a regular contributor to the Le Monde newspaper, Pierre de Villemarest, a well-known disinformationist, and General Callet. The Bulletin also carried an article by Franz Josef Strauss in its issue date 21 February 1975 about his impressions of his visit to the People's Republic of China.

Le Monde Moderne, a quarterly foreign affairs magazine, reached o more prestige audience and was edited by Jean Vigneau, a close associate of Violet, together with Jacques Legèbe, a former SDECE officer, and Bernard Lejeune, editor of the Courrier austral. Le Monde Moderne was a regular mouthpiece for the ISC - the first issue consisted mainly of a reprint of the 1972 ISC Special Report, European Security and the Soviet Problem. Two other ISC Conflict Studies were published by Le Monde Moderne in 1973 covering Soviet peacetime strategy and the construction of Europe. Other contributors to Le Monde Moderne included Strauss, Sanchez Bella, General Stehlin and General Jean Houssay.[18]

However, the oil crisis of October 1973 and the beginning of the South African propaganda campaign later exposed by the "**Muldergate**" scandal focused the attentions of Le Monde Moderne on South Africa and the threat to the Cape route. Besides republishing the 1972 ISC Special Report, the first issue of La Monde Moderne also contained an article by Jacques Leguèbe calling for the defence of South Africa, a theme which dominated the second issue, including a piece by South African propaganda chief, **Dr Eschel Rhoodie**. On 6 November 1973, Le Monde Moderne organised a three-day restricted "brain-trust" meeting on South Africa, attended by Jean Violet, Francois Vallet, Florimond Damman, Brian Crozier and Mr Burger, South African Ambassador to France. The Ambassador presented a two-page report drawn up personally by Prime Minister Vorster, Information Minister Connie Mulder, his deputy Dr Eschel Rhoodie and General Hendrik van der Bergh, head of BOSS. Then a discussion was held as to how the ISC, the Academy and Le Monde Moderne could assist the secret propaganda campaign that the South African government was conducting through such Pretoria-funded publications as To The Point, a newspaper with which Le Monde Moderne worked. The meeting decided to launch several campaigns in favour of South Africa. One targeted Members of Parliament:

"A Franco-South African Friendship was set up a while ago. Now we have to breathe life into it. Increase its numbers and quality. We must organise manipulation of the Members of Parliament - but with subtlety."[19]

This campaign was successful; from 1974 on, the number of French MPs visiting South Africa increased considerably. Another campaign targeted industrialists, a third the French and Belgian Press, particularly by inviting over South African journalists. A decision was taken to set up a group to promote South Africa: five years later, the group would come into being as the Amis Français des Communautés Africaubes (AFCA), chaired by Antoine Pinay and including Jacques Leguèbe. Finally, the meeting decided that these campaigns should not be limited to France alone: the ISC agreed to begin preparing a number of Conflict Studies on Southern Africa, and the European programme would be further defined at a meeting at Marcel Collet's Chateau de Sissy (Aisne), where the Academy held its meetings on European relations.[20]

A key element in the propaganda campaign to support Pretoria was to be Soviet designs on work energy resources, as Violet described to the seminar:

"Oil is the vital weapon of the Cold War. The Soviet Union controls its sources and seeks to dominate the main oil trade routes - South Africa and the African territories owned by Portugal."[21]

Crozier was back in Paris a month later on 7 December 1973 and returned again on 7 February 1974, when he met Colonel Camus, former deputy head of the Intelligence Division in the International General Staff of NATO. A few days later, Crozier proposed to organise a campaign that "would scare the Europeans into tightening links with the United States". Strengthening the Atlantic Alliance was a key focus for the Academy, which published flyers with the title: "Yankees, stay here - we need you". Preparing the Belgian celebrations of the 1976 Bicentenary of American Independence was also a major activity for the Academy form 1974 onwards. Meanwhile, Violet, now the major financial and moral backer of the ISC, intensified his visits to South Africa, and the ISC kept the South African question ticking over by bringing out two Special Reports in March, both of which stressed the importance of South Africa for Western oil supplies: The Security of the Cape Oil Route and Soviet Objectives in the Middle East.[22]

By the end of 1974, the plan to establish a South African-backed propaganda institute in collaboration with Le Monde Moderne and the ISC had been completed. Funding to the tune of one million francs had been received from BOSS via Dr Eschel Rhoodie,, and the **Centre d'Etude du Monde Moderne** was launched in November. Amongst its members were activists from the extreme right and senior officers from the French armed forces, including General J Callet (who also wrote for the Bulletin de Paris), General F Pin and Rear-Admiral Peltier. On 6 November 1974, Le Monde Moderne held an inaugural conference on the theme of the defence of Africa against the threat of communist subversion. The core team at the launch were Jean Violet and Francois Vallet, Jaques Leguèbe and

Bernard Lejeune from Le Monde Moderne, and Pinay Circle Member Graf Huyn. Attending for the ISC were Brian Crozier and Peter Janke, author of ISC Conflict Study No 52, Southern Africa: End of Empire, which had just been published the month before. Much of the study's information on "terrorism" in Mozambique came form P J De Wit, a senior BOSS operative.[23]

The military were represented at the conference by Americans Admiral McCain and James Winnokur (Board Member of the **National Strategy Information Center**), Major-General Robertze, Director of Strategic Studies in South Africa and French officers Generals Callet and Pin, Colonel J M Bonnier, former South Africa specialist at the General Secretariat for National Defence, Colonel J M Sancho Sopranis, former Chief of General Staff of the Navy, and General François Maurin, an observer sent by the Chief of General Staff of the Army.[24]

The South Africans also reciprocated: after personal contacts between Antoine Pinay and Premier John Vorster, Count Alain de Villegas travelled to South Africa in the summer of 1974 to run a series of tests of the sniffer planes for South Africa's state oil company.

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1974 also saw the first challenge by Mitterand to unbroken Republican rule in France since 1945. Several of the Academy's members were Members of Parliament from Giscard's party and news of his victory was welcomed, as Damman described in a letter to Archduke Otto on 8 May 1974:

"So Giscard has got into power but with a very narrow margin, we have simply won a little time which we must put to good use so as to organise our movements into active forces. The meeting of 8 May has been an excellent springboard for setting up the regional teams of MAUE which we are building up mainly in Belgium and in France, and this strategy for action has proved to be very fruitful.

Maitre Violet will be arriving in Brussels tomorrow (Tuesday) and will stay until Thursday. Now that we are concentrating on the provisional fate of France, we can draw up a plan for action. The key thing is to ensure that the majority wins the next parliamentary elections which should normally be held in three years time, and, once again, it will be a close-run fight. It's clear now that each important domestic event in each of our countries will have a major impact on a European scale, and we must strengthen our influence in those countries where we have very few structures: the Netherlands, Denmark and Great Britain".[25]

The extent of the Academy's influence becomes clear form a letter dated 7 August 1974 form Count Alain de Villegas, in Pretoria to test his sniffer planes, to Florimond Damman:

"The meeting planned for Washington seems to me to be a major chance for the Academy. It will be an opportunity for use to make new contacts and to be given a budget which is a kind of consecration [for the Academy]. You choose well and showed good judgement in naming Mr Destremeau a permanent member of the Academy. Your choice was a wide one, as President Giscard d'Estaing has appointed him Secretary of State for Foreign Affairs. All this promises much for the future... As far as the European relaunch is concerned, here too you have a good card in your hand, particularly as it is President Giscard d'Estaing who will himself take the initiative for this relaunch".[26]

1975 saw the Academy dealing with Soviet subversion, as Florimond Damman described in April 1975 in his note No 167:

"The Soviet Union gains no advantage in provoking a war, because under the cloak of detente, it continues to wage a war of subversion, and is winning everywhere. The West puts up no opposition to this war of subversion, and encourages it through its weakness due to both splits in the domestic policy field and clashes on foreign policy between European countries and also countries within the Atlantic Alliance.

I propose a meeting of an urgent brain-trust which should establish:

1 the effects of the war of subversion in each of the countries of the Atlantic Alliance, in Europe as well as in the United States;

2 the effects of the war of subversion throughout the world; Korea, Vietnam, Middle East, Portugal, trade routes of raw materials;

3 the means that the Western block can use to initiate effective subversive action both within Warsaw Pact countries and in the contaminated countries around the world;

4 how to encourage NATO countries to take immediate steps to define appropriate and officsive ideological tactics, which is the only way to win this war of subversion. The free movement of persons and ideas is one offensive tactic; we must find others.

5 Consider setting up an action centre for offensive tactics in the US or Canada. Free movement of persons and ideas."[27]

The "subversion brain-trust" probably functioned in the same way as did the one concentrating on South Africa; co-ordination between the Academy and the ISC is clear when we look at ISC publications during this period. A whole series of ISC Conflict Studies in 1975-76 focused on subversion in the regions named by Damman: Sweden's Maoist "Subversives" - a Case Study (April 1975), Iraq: the Search for Stability (May 1975), Southern Europe: NATO's Crumbling Flank (June 1975), Portugal - Revolution and Backlash (September 1975), Right-wing Extremism in Western Germany (November 1975), Terrorism versus Liberal Democracy - the Problems of Response (January 1976), North Korea - Undermining the Truce (March 1976), Stability in the Gulf: The Oil Revolution (May 1976).

Damman's suggestion of considering setting up a psyops centre in the US and Canada had already been taken up: the ISC had been working for the last year on plans to set up an American satellite. Formed in 1974 and formally launched in 1975, the **Washington Institute for the Study of Conflict** had its own Committee and its own facilities for research and publication. The WISC Committee was chaired by George Ball, former member of the State Department, and included Robert Komer (former "pacification" chief in Vietnam), Kermit Roosevelt (CIA chief for the 1953 Mossadeq operation), George Tenham (former counter-insurgency expert), Professor Edward Shils of Chicago University (ISC Study Group on Higher Education, 1977) and Zbigniew Brzezinski as members. One of the founding members was Robert Moss. An important outlet for Crozier and Moss in the United States was the Heritage Foundation's journal, Policy Review, which Moss co-founded. Villegas' 1974 letter from South Africa also indicates that Damman had contacts in Washington who might be a source of funding for the AESP.[28]

A Canadian group, the **Centre for Conflict Studies**, was formed in 1979 by Maurice Tugwell, Colin Wallace's former superior as head of Information Policy, the black propaganda unit in Northern Ireland. Although CCS is attached to the University of New Brunswick, it gives no courses and its work consists largely of contract work for the Royal Canadian Mounted Police, Canadian Police College, Canadian Department of National Defence, US Department of Defence, and NATO. Tugwell combines his anti-Soviet disinformation activities with pro-South African propaganda: he became a director of the Canada-South Africa Society, a pro-apartheid support group funded by South African "businessmen".[29]

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Portugal and Spain were a particular matter for concern for the Pinay Circle complex: whilst Cozier's ISC provided the propaganda back-up by publishing two Special Reports and a Conflict Study on the subject, the Circle's's active intervention to support a counter-revolutionary coup in Portugal after 1974 and to influence politics in Spain after the death of Franco was largely channelled through Franz Josef Strauss and Archduke Otto.[30]

In Portugal, the main beneficiary of Pinay Circle aid, himself a Circle member, was **General Antonio Spinola**, President of the seven-man "Junta of National Salvation" that came to power after the Caetano government had been overthrown in the revolution of 25 April 1974. However, after rumours of his involvement in a planned simultaneous counter-coup in Lisbon and Luanda on 28 September 1974, Spinola and other conservatives were dismissed. After the collapse of the plans for a coup, an underground army, the ELP, was formed. The ELP (Army for the Liberation of Portugal) brought together Spinolist Army officers with experience of counter-insurgency with the FNLA in Angola, former PIDE agents and the Aginter Press: Guérin-Serac and his lieutenant Jay Salby were prominent ELP commanders. Spinola and the ELP made a second coup attempt on 11 March 1975, which also failed, and Spinola was forced to flee Portugal.

In exile in Switzerland, Spinola founded the MDLP (Democratic Movement for the Liberation of Portugal), a coalition of former Caetano officials and members of the ELP. Throughout 1975, whilst the ELP carried out several hundred bomb attacks in Portugal to de-stabilise the government of the left-wing Armed Forces Movement, Spinola travelled around Europe, seeking support for a putsch, should the Left win in the Parliamentary elections to be held on 25 April 1976. After meeting the CIA's Frank Carlucci in the US base at Torejon in Spain at the beginning of August, Spinola travelled to Bonn where he met a key contact: Franz Josef Strauss, who also arranged for Spinola to meet the head of the Deutsche Bank, Hermann Josef Abs, a member of the German section of CEDI. In September, Spinola moved on to Paris, where he et Colonel Lageneste of Marenches' SDECE, Paris CIA chief Eugen Burgstaller, a representative of the arms company Merex (a BND operation), and the leader of the Portuguese opposition party CDS, Freitas do Amaral. Amaral also had close links to the Pinay Circle, as a letter from Archduke Otto to Damman of 29 August 1975 shows.

"I sent replies to your previous letters via Pöcking (the Archduke's residence) because of my trip to Portugal during which - for good reasons - I didn't dare to write or even take notes. I had very interesting contacts, particularly with the leadership of the CDS, who deserve our support. I am planning to bring their leaders - this is highly confidential - Amaro da Costa and Freitas do Amaral to Bavaria in the second half of September. In the meanwhile, I have suggested to Mr Strauss that we should set up Portugal Support Committees, whose aim would be to give moral and financial support to the freedom forces in Portugal. We should act as the Communists did in relation to Vietnam in organising public demonstrations, collections, appeals and support groups formed by intellectuals, etc. I hope that Strauss will accept the idea. I don't see why the Communists should be the only ones to support their friends or why we should practice non-intervention."[31]

By the end of September, Spinola was in Lausanne where he met John McCone, a former director of the CIA who then worked for ITT; ITT pledged $300,000 for Spinola's putsch. Despite the support of several foreign intelligence services and pledges of several hundred thousand dollars from ITT and other multinationals, Spinola's plans were wrecked just before the April 1976 elections by investigative journalist Günter Walraff who, posing as a right-wing militant, had tape-recorded lengthy conversations with Spinola about his plans for a putsch.[32]

Another Pinay Circle contact in Portugal was the former Commander-in-Chief of Portuguese Forces in Mozambique, Kaulza de Arriaga, imprisoned after the 1974 revolution. On being released, Arriaga founded the Movimento Independente para a Reconstruçao Nacional, an extreme right-wing group also associated with Aginter Press.

In Spain, the death of Caudillo Franco in November 1975 set a challenge for the Pinay Circle: could the "Portuguese disease" be prevented? From 1975 to 1977, the Circle promoted a trio of former Franco Ministers who led parties in the Alianza Popular coalition. One, **Manuel Fraga Iribarne**, Interior Minister in the first post-Franco government, was a longstanding Circle friend and member of the AESP since at least June 1970: Damman refers to him in the 1973 AESP quarterly activity report as "totally won over to our cause". Fraga Iribarne is probably the "Spanish Minister" referred to in he 1972 ISC Council minutes. Fraga Iribarne was also one of the European leaders who received a personal visit from President Pinay in 1975 as part of his European tour to promote the ISC. The other two Pinay Circle beneficiaries were Federico Silva Munoz, leader of Accion Democratica Espanola and Cruz Martinez Esteruelas, President of the Union Democratica del Pueblo Espanol. All three were given generous covert funding by Strauss: in 1977, Fraga Iribarne received at least DM 135,000, Silva Munoz and Martinez Esteruelas DM 100,000 each.

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NOTES

1 On Violet's links to the pre-war Cagoule, his SDECE career and his early relationship with Antoine Pinay, see *La Piscine - les services secrets Français 1944-84*, Roger Faligot and Pascal Krop, Seuil, Paris, 1985, pp 193-200; *V*, Pierre Péan, Fayard, Paris, 1984, pp 33-54 - the major book on the sniffer plane scandal; Jean Violet, Scott Van Wynesburghe, *Lobster* 18, October 1989, pp 24-5. On the Cagoule in general see *La Cagoule - 30 ans de complots*, Phippe Bourdel, Editions J'ai Lu, ALbin Michel, Paris, 1970.

2 *Spiegel*, 10/1980, p 23.

3 Habsburg is a member of the Bureau of the EPP (European People's Party), the Christian Democrat group on the European Parliament, and also a member of the Political Committee and Chairman of the Delegation for relations with Hungary. The Paneuropean Union under Archduke Otto was the organiser of the picnic on the Autro-Hungarian border that prompted the first mass crossing by East German "holiday-makers", puncturing the Berlin Wall. The major source on the Paneuropean Union, which I have unfortunately not been able to obtain, is *Mobilmachung*, published by the Young European Federalists. CEDI was aimed to break the islocation of Franco's Spain in Europe; its conferences were always held in Madrid. An account of CEDI and a full biography of Archduke Otto can be found in *Propagandisten des Krieges, , Hintermänner der Contra: "Internationale Gesellschaft für Menschenrechte"* (hereafter referred to as IGfM), Arbeitskreis Nicaragua, Edition Nahua (Postfach 101320m 5600 Wuppertal 1, Wset Germany), 3rd edition 1987, pp 59-60, 75-6: an outstanding piece of research on the international Right. *Sainte Mafia*, Yvon Le Vaillant, Mercure de France, Paris, 1971. Jean Violet and many Pinay Circle members are also connected to Opus Dei. This article does not attempt to cover so vast a field - the lack of references to Opus Dei is no indication of a lack of Pinay Circle-Opus Dei connections.

4 *V*, p 65. *Aginter-Presse et al Belgique*, annex in *Les mercenaires*, Serge Dumont, EPO, ANtwerp, 1983, pp 174-9. Dumont obtained his information by infiltrating AESP circles under the pseudonym of Maurice Sartan. *L'Enquête - 20 Années de déstabilisation en Belgique*, Hugo Gijsels, La Longue Vue, Brussels 1990 (origianl Flemish title: *De Bende et Cie*), p 224 et seq - despite some inaccuracies, the best book on the '70s plans for coups d'etat, the "mad killers of the Brabant Wallon", the extreme right and the strategy of tension in Belgium. *Aginter-Prese et la Belgique*. The ABN was financed by the CIA and BND, and stronly supported by Strauss' CSU: its headquarters are in

Munich (*L'Orchstre Nior*, Frédéric Laurent, Stock, Paris 1978, pp 297-8).

5 *Aginter-Presse de Belgique.*

6 For details of della Chiaie, Giannettini and Aginter Press, see Stuart Christie's excellent *Stefano della Chiaie - portrait of a black terrorist*, Anarchy Magazine/Refract Publications, London, 1984; *L'Orchstre Noir; Right-wing terrorists and the extra-parliamentary Left in post-World War II Europe: Collusion or Manipulation?*, Jeffrey M Bale, *Lobster* 18, pp 2-18.

7 Aginter Press' contact within the CSU was Strauss' newspaper, *Bayern Kurier (L'Orchestre Noir*, p 133. *V*, p 83.

8 Vittorio Pons later authored an ISC Conflict Study, *The Long-term Strategy of Italy's Communists* (No 87, September 1977). All information on ISC publications in this articale comes from the list given in Conflict Study No 106, April 1979 - see annex of ISC documents; the date of publication of Conflict Studies, not indicated by the ISC, have been calculted by working back from this date and may not be entirely accurate.

9 *V*, pp 97-102.

10 *V*, p 76.

11 *British Intelligence and Covert Action*, pp98-9.

12 *V*, pp 237-9.

13 *Geschäfte und Verbrachen der Politmafia*, Jürgen Roth and Berndt Ender, IBDK Verlag, Berlin, 1987, pp 72-3. The European Movement was financed by the American Committee on a United Europe, launched in 1949. Its list of officers reads like a Who's Who of the spook world: Bill Donovan, former Director of the OSS, was ACUE Chairman; the ACUE's Vice-Chairman was Allen Dulles, Director of the newly-formed CIA; its Executive Director was Thomas Braden, head of the CIA's division on international organisations. See *The Global Manipulators*, Robert Eringer, Pentacle, Bristol, 1980, pp 19-21. The Pinay Circle has close links to the Bilderburg Group - Antoine Pinay was one of those present at the meeting on 25 September 1952 which set up the Bilderberg Group. Two other founder members of the Bilderberg Group were André Voisin, a member of Damman's AESP, and Pierre Bonvoisin, father of Baron Benoit de Bonvoisin who took over Damman's group MAUE after Damman's death. Pinay Circle members Franz Josef Strauss and Giulio Andreotti later became Bilderberg members. Two members of the Pinay Circle offshoot, the Europäisches Institut für Sicherheitsfragen, are Bilderberg members - Pierre Pflimlin and Dr Ludwig Bölkow. On the Bilderberg Group and the Trilateral Commission, see *The Global Manipulators*, and *Les vrais maîtres du monde* - the latter should be read with caution, as Gonsalez-Mata is a former Spanish intelligence chief.

14 *No Vison Here - non-military warfare in Britain*, D G Stewart-Smith, Foreign Affairs Publishing Company, Richmond, 1966, pp 66-7.

15 *Geschäfte und Verbrechen der Politmafia*, p72. *V*, p 82. The 1978 AESP membership list includes C C van den Heuval, Director of Interdoc. On Interdoc/ISC links, see *Time Out*, 29.8.75; *Liberation*, 9.10.75. On Interdoc in general, see *Lobster* 11, pp 40-1; *In a Common Cause: the Anti-Communist Crusade in Britain 1945-60*, *Lobster* 19, May 1990.

16 See notably *L'Enquête*, p 197 et seq and the other books on Belgian parapolitics listed in Part 2.

17 On de Bonvoisin, see *Celsius* (Mantrant, BP 2128, 1000 Bruxelles 1, Belgium), numbers 12, 14, 15, 16, 17, 21, 22, 23, 24, 26, 29, 30, 31 and 34. De Bonvoisin has claimed in coversation with a confidential source that he had only met Violet four times. This is unlikely bearing in mind a diagram of connection between various persons drawn up by Paul Latinus and published in *Des taupes dans l'exreme-droite* (p 178), in which Violet's name figures directly under de Bonvoisin's. Significantly, Violet is not linked by Latinus to any other person on the list - a gateway into a different network. De Villegas also features on Latinus' diagram, linked to *Soldier of Fortune* magazine. Pierre de Bonvoisin's father was a long-standing friend of Antoine Pinay, being a founder member of the Bilderberg group with Pinay and AESP member André Voisin.

18 *V* gives Vigneau's christian name as Jacques; I have followed the 1978 AESP membership list.

19 *V*, p 110.

20 *V*, pp 92-3, 107-113.

21 *V*, p 108.

22 *V*, pp 85-6.

23 *V*, p113. *L'Orchestre Noir*, p 305. *Time Out*, 5-11.9.75, and *The Terrorism Industry*, pp 110, 116-7 and 134.

24 The NSIC had supported the ISC from the outset, buying 500 copies of the ISC's Pinay Circle-sponsored 1972 report - see annex of ISC documents. The NSIC also covered the salary of an ISC research assistant and met the advertising and printing costs for the ISC's annual - see ISC Council minutes of 2.1.72 in *Beyond the Pale*, Derrick Knight, London, 1982, p 176. *Données pour un moment* in *Bulletin du Centre de recherches et informations sociales et économiques (CRISE)*, no 2, 15 June 1977, quoted in *Guerre spéciale en Europe*, Roger Faligot, Flammarion, Paris, 1980, pp 181-2; *V*, pp 113-4.

25 *V*, p 71.

26 *V*, pp240-1.

27 *State Research No 1*, pp 13-17. For a biography of Moss, see *Rooted in Secrecy - the clandestine element in Australian politics*, Coxsedge, Coldicut and Harant, Committee for the Abolition of the Political Police, Balwyn North, Victoria, Australia, 1982, p 124; *Lobster* 11, pp 53-4. Moss is one of the ISC's closest links to Thatcher; around this time, he was working as her speechwriter - it was one of Moss's speeches that earned Thatcher the nickname of "Iron Lady".

28 In 1988, the publication of *Combatting the Terrorists* was announced, a book sponsored by the ISC, London and the CCS, Washington office. The book brings together old friends: the editor, H H Tucker, is a former Deputy Head of IRD, and the book includes a chapter by Peter Janke. On Tugwell and the CCS, see *Lobster* 16, July 1988, pp22-23; *Lobster* 17, November 1988, p17; *The Lie Machine*, George Martin Manz, *Top Secret*, Number 1/89 - a major piece on South African propaganda in Canada; *The "Terrorism" Industry*, pp 115-6, 173-6; *Who framed Colin Wallace?*, Paul Foot, Pan, London, 1990, pp16, 18 and 22.

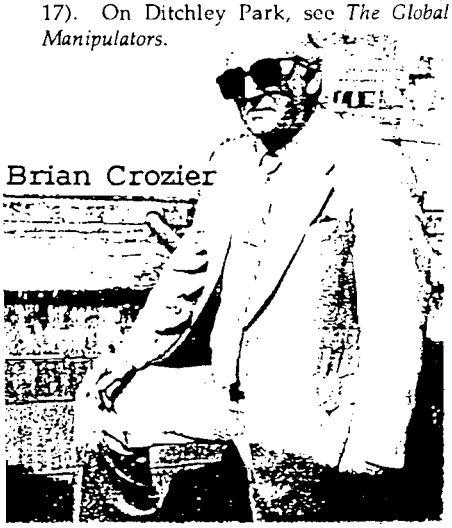
29 *Southern Europe: NATO's Crumbling Flank* (June 1975), *Portugal - Revolution and Backlash*, (September 1975) and *Portugal and Spain: Transition Politics* (May 1976).

30 *V* p 242. Archduke Otto lives in Spain and Portugal for much of the time - both are former possessions of the Habsburg empire. For Archduke Otto's Portuguese connections, see his biography in IGfM, pp 59-60.

31 *See Günter Walraff in* Stern, 7.4.76 and *Libération*, 9-10 and 11.4.76, and his *Die Aufdeckung enier Verschwörung*, Kiepenheuer und Witsch, Köln, 1976.

32 *V*, p 86; as this is translated from the French, the text given here will not reproduce the exact working of the English original, which is given in *Time Out*, 27.6-3.7.75.

Ditchley Park is a conference centre at Enstone in Oxfordshire used for private VIP meetings guarded by Special Branch and MI5. It was used by the ISC as a conference centre from 1972 onwards; the ISC Council minutes of 21.1.72 mention an ISC conference on Ireland that was held under conditions of extreme secrecy. Ditchley Park is closely linked to the Bilderberg Group, fourteen of whose members sit on the centre's Board of Governors. One of the ISC's other links to Ditchley Park was Professor, the Lord Vaizey, a Governor of the Ditchley Foundation since 1973 and later member of the 1977 ISC Study Group which published the ISC Special Report, *The Attack on Higher Education* (State Research 1, October 1977, p 17). On Ditchley Park, see *The Global Manipulators.*



Secret Injustice

Notwithstanding the existence of the 1985 Interception of Communications Act and the 1989 Security Service Act, unlike their counterparts in North America, Australia and parts of Europe, British citizens have little protection against the misdoings of the security services. Glossy brochures cannot hide the fact that there is still no effective accountability of MI5.

MORRIS RILEY

Following the introduction of the new Official Secrets Act, the government appointed Lord Justice Stuart Smith as the Security Service Commissioner, with responsibility - as Chair of the Security Service Tribunal - to investigate public complaints against MI5. In his early sixties, the cello-playing Stuart-Smith (Radley, Corpus Christi and the Dragoon Guards) is regarded as a 'dull dog' who, according to one prominent QC, 'if he is not of the Establishment, he faces it on the periphery. I would not think he knew how to think other than in terms of the Establishment.'. Stuart-Smith said of his role that he would 'probably be a reactor rather than an initiator in this context'. A legal colleague thought that he would 'not be looking for a case to strike at the Establishment, but if it floats across his snout he will sniff harder'. So far, Stuart-Smith appears not to have sniffed anything unsavoury.[1]

Home Secretaries have refused to give any details of the work of the Tribunal. David Waddington said that 'It was up to Stuart-Smith in consultation with the members of the tribunal to determine what information might be included in his annual report to the Prime Minister.' Since the Commissioner has defined his remit in the most conservative manner, the government has little to fear from disclosure of the tribunal's work and MI5 activities. The tribunal's deliberations have taken on a Kafka-esque quality. Stuart-Smith has conceded that complainants alleging improper burglaries by MI5 will not be told if their property was searched in the event of the Tribunal finding that the search was justified. This proved to be the same case with telephone tapping.[2]

In February 1985, former Security Service officer, Cathy Massiter, on Channel Four's *20/20 Vision* programme, revealed that MI5 had conducted an illegal surveillance campaign against the CND movement, the miners and others. In the House of Commons, CND member and Labour MP for Peckham, Harriet Harman, asked the Leader of the House, John Biffen:

'Will you confirm or deny whether I have been subject to political snooping from MI5? If I have been, will you arrange for me to see a copy of my file? Is it not the case that such snooping is outside the guidelines, since the information gathered on me clearly has nothing to do with national security?'

Mr Biffen replied that he was not in a position to comment on what might have been the situation. The SDP Chief Whip and MP for Woolwich, John Cartwright, thundered:

'When former long service MI5 employees are prepared to state publicly that the security services have broken their rules by mounting clandestine operations against organisations and individuals who pose no conceivable threat to State security, is it not an issue which the House should have an opportunity to debate at the earliest opportunity?[3]

The speaker, Bernard Wetherill, however, refused to allow an emergency debate on the issue. John Biffen did promise a full statement on the subject - which never was made. The government was now in an embarrassing position and a solution had to be found; it opted for an old and well-tried escape. After noting Massiter's revelations, the government asked Lord Bridge of Harwich (Marlborough College), Chair of the Security Commission, to investigate whether the Home Secretary had ever improperly authorised telephone taps. The scope of the inquiry was deliberately narrow, avoiding the possibility that MI5 had undertaken unauthorised tappings. Bridge, having studied 6,129 telephone tapping applications in three days (!), reported that all warrants between 1970 and 1984 had been correctly authorised. This bizarre and unbelievable conclusion elicited the response from the former Labour Home Secretary, Roy Jenkins, that Bridge had 'made himself appear a poodle of the executive'.[4]

It was, inevitably, a whitewash. In the knowledge that MI5 had files on its leaders and staff, including Joan Ruddock, Bruce Kent and Roger Spiller, and that the files contained inaccuracies, CND wrote to Home Secretary, Leon Brittan, demanding to see the files and check on the reported inaccuracies. Six weeks later, Joan Ruddock received a bland assurance from Brittan that:

The Security Service had carried out no operation, investigation, surveillance or action against any individual other than for the purposes laid down in its [Maxwell-Fyfe] directive, and with the propriety which successive governments have rightly demanded of it.[5]

In the following year, July 1986, CND went to court to challenge the legality of the telephone tap on Dr John Cox, a vice-president of the organisation. Backed by a sworn affidavit from Cathy Massiter, CND argued that the surveillance of John Cox and, through him, of two other officials - Bruce Kent and Joan Ruddock - broke the Service's own rules - the Maxwell-Fyfe directive. A warrant to tap Cox's telephone had been signed by Leon Brittan in August 1983, after Massiter had been specifically requested by her superiors to discover a 'suitable candidate' within CND for a tapping operation. She chose Cox, a member of the Communist Party of Great Britain and, therefore, considered to be a 'subversive'. However, according to

Massiter, the Service 'knew from our coverage of the Communist Party that he was not getting up to anything in CND. We knew exactly what their peace committee was doing'. The absence of any threat was minuted in Cox's Security Service file.[6]

The Crown chose not to cross-examine Cathy Massiter and, instead, argued that the Court should not adjudicate because it was contrary to the national interest to receive evidence or disclose whether a warrant had been issued. Crown lawyers also claimed the litigation was histronic and academic and, therefore, did not warrant the exercise of the court's discretionary power to grant relief. Clearly, the litigation was not histronic as it only went back a few years and it was far from being 'academic' as other cases could be in the pipeline. After three days of legal arguments on the merits of CND's case, Justice Taylor announced that he would reserve his decision until September, when he would give it in open court. In the meantime, in May, CND's solicitors submitted to the recently-established Interception of Communications Tribunal the evidence that had been presented to the High Court. The Tribunal replied in early July that there had been no contravention of Sections 2-5 of the Interception of Communications Act 1985, which had been introduced to put right Britain's unsatisfactory laws on telephone tapping.

On 2 September 1986, Justice Taylor delivered his judgement and rejected the claim by CND that the Home Secretary had acted unlawfully in approving a Security Service telephone tap on one of its officers. His judgement, however, conceded several major legal points in CND's favour. He rejected the government's argument that the court had no jurisdiction in matters of national security and in cases about whether or not a telephone tapping warrant had been issued. Following the introduction of the Interception of Communications Act, the government had barred appeals: decisions of the Tribunal 'shall not be subject to appeal or liable to be questioned in court'.

This is strange, given that Ministers regularly assure the public that the judiciary will protect citizens' civil liberties and provide the necessary watchdog role over the Security Service, ensuring that it operates within the law. This is, of course, a delusion. The Courts have very rarely challenged the Executive on matters of national security, Lord Fraser (Bailliol College, Oxford), the senior Law Lord, stated in 1984:

'The decision on whether the requirements of national security outweigh the duty of fairness in any particular case is for the government and not for the courts. The government alone has access to the necessary information, and in any event the judicial process is unsuitable for reaching decisions on national security'.[7]

Taylor, however, concluded that to restrict the court's supervisory jurisdiction in a field where the citizen had no right to be compensated for illegality would be 'a draconian and dangerous step indeed'. Secondly, he agreed that the citizen has a right to relief if the government breaches its own criteria; the Home Secretary having a duty to act fairly in exercising his prerogative power. Thirdly, in spite of the government's submissions that the court should not be concerned with whether or not a warrant has been issued, the judge found that, on the evidence, a warrant had been issued to tap John Cox's telephone. However, he did not find any grounds for impugning the Home Secretary with malfeasance. He neatly side-stepped the main issue by finding Cathy Massiter's evidence insufficient to prove that the Home Secretary had gone outside the criteria as laid down, because the Minister might have been given other information in addition to Massiter's, who, he suggested, acted in a junior capacity in the Security Service. Taylor could not say that the telephone interception had been illegal because it had been quite properly authorised by the Home Secretary.

In fact, the question of illegality does not appear to trouble the Courts. In March 1992, the Court of Appeal dismissed an appeal against a conviction in which telephone intercepts, made from a cordless telephone, were not backed by a warrant and were thus illegal. Commenting on the Section One provisions of the 1985 Interception of Communications Act, Lord Justice Steyn (Rhodes Scholar, University College, Oxford) said that 'it would usually be perfectly proper of the Crown simply to decline to say whether a warrant was or was not issued'. In the particular case before the court, Steyn claimed that 'the police officers were local officers who might not have been very familiar with the Act. It was not suggested that they deliberately contravened the 1985 Act.' All that mattered, claimed Steyn, was 'the quality and content of the recordings.' It would appear that ignorance of the law is now an acceptable defence for MI5 officers engaged in illegal activities.[8]

The CND members did not take matters any further, but two former members of the National Council for Civil Liberties (now known as Liberty), also put under surveillance by MI5, decided to take their case to the Council of Europe. In April 1990, the verdict was finally delivered by the Court in Strasbourg which ruled that the British Government had breached their human rights. It also agreed to award them costs of £50,000 courtesy of the British taxpayer. After the judgement, Harriet Harman, formerly a NCCL legal officer, said she thought it outrageous that the Security Service had created a file on her: 'It casts a shadow over me which is unjustified and which I bitterly resent. I want my file destroyed. It is not just a technical breach of the rules. As the legal officer for the NCCL, I defended human rights, taking the Government to court when they overstepped the line on civil liberties. I want the Government now to act on the spirit of the judgement as well as abiding by the letter of it, and destroy the files.' She said that the files could affect her future in a Labour Government if she was passed over for a position because of the "subversive' tag. Patricia Hewitt, a former NCCL General Secretary and secretary to the Labour leader, Neil Kinnock, said that the MI5 files included material gained by Special Branch surveillance and from telephone taps made on other people to whom the two women spoke. 'I want to see the files and then have them destroyed. There is nothing we can do under British Law as it stands, that is why we had to go to Europe.'[9]

Once the European Court had declared that the actions of the Security Service had breached Article 8 of the European Convention on Human Rights, which guarantees respect for private life, Hewitt and Harman expected their MI5 files to be destroyed. Liberty wrote to the Security Service Tribunal, which was set up under the 1989 Security Service Act to investigate complaints, to confirm the destruction of the files. It received, instead, a series of tortuous letters. The first, in July 1991, said the tribunal intended to treat the complaint as being that MI5 had unreasonably made Hewitt and Harman the 'subject of its inquiries' after the Security Service Act came into force on 18 December 1989 - ie, after the surveillance had, in fact, taken place. It went on to say that the tribunal had no powers to investigate 'the assumed continued holding' of personal information. But when investigating whether inquiries post-December 1989 were unreasonable, it might use its powers under paragraph 7(2) of Schedule 1 (ie, to refer for investigation whether the Service has/had in any other respect acted unreasonably) if it made no determination in favour of the complaints (ie, if it did not uphold them). In this case, it would ask the Commissioner to investigate:

'whether the Security Service has acted unreasonably (whether or not in breach of Section 2)... by continuing (if they do) to hold personal information...'.

Section 2 of the Act states that the Security Service Director-General shall ensure that 'no information is obtained' except as

necessary for the discharge of its functions (Section 2(a)). The functions referred to being the 'protection of national security' from 'actions intended to overthrow or undermine parliamentary democracy by political, industrial or violent means' (Section 1(2)).[10]

By October 1991, the tribunal concluded that 'no determination' could be made on the complaints, but it did decide to refer the matter outside of its jurisdiction - 'the alleged continued holding of personal information' in breach of Section 2 - to the Security Service Commissioner. The letter ended by stating that this decision 'carries no implications either way as to whether the Security Service continued to hold [or ever held] personal information upon all or any of the complainants'.

In February 1992, Hewitt and Harman went back to the High Court in London to challenge the refusal of the Security Service Tribunal to investigate their complaint that files on them, dating from the days when they were regarded as being 'subversives', were still being kept by MI5, despite the verdict of the European Court. Liberty barrister, Andrew Nicol, argued that the Tribunal had misinterpreted its powers and that it had a duty to investigate whether the Security Service unlawfully continued to hold personal information about the women. He contended that, on a true interpretation of the Act, 'enquiries' by the Service were deemed to be continuing and did not cease 'unless and until any records of those inquiries are destroyed'. Although Justice Kennedy questioned the wording of the Act and suggested that, in certain circumstances, the courts certainly would have jurisdiction to intervene, he refused leave for judicial review, stating that 'nothing in the statute appears to indicate that this is the interpretation which ought to be adopted'. Responding to the ruling, Patricia Hewitt commented that she was 'extremely disappointed' as it made clear that the Security Service Act 'completely fails to protect people who, like us, have been and remain victims of MI5's surveillance. So far as we know, files on Harriet Harman and myself continue to exist and continue to be used against us. That is just not good enough and we will have to begin a new case under the European Convention of Human Rights in order to get protection.' Harman added that the decision showed that the Security Service was 'accountable to no-one, not even Parliament or the judiciary'.[11]

The ruling of the Court exposed the limitations of the Tribunal; the information collected on Hewitt and Harman could be used again as the basis of applications for warrants. MI5 admitted to Stuart-Smith that 'its general policy is to retain records of suspected subversives indefinitely in case they are of relevance at any time in the future'. This would include those containing false information, those made in error and those with illegally generated material. In May 1992, the Tribunal gave approval for MI5 to retain these records in order to 'enable the Tribunal to carry out its investigations'. However, since it will only investigate information collected after 1989, it leaves MI5 with decades of uncorroborated information on file.

Redress or justice from the Security Service and the Interception of Communications Tribunals is, it would seem, very unlikely. In the first year of the Security Service Act, there were 52 complaints to the Tribunal, none of which were upheld, and in the second year, 29 - again, none were upheld. Lord Justice Lloyd ((Trinity College, Cambridge, Coldstream Guards) was until recently the commissioner responsible for monitoring telephone tappings and mail openings. In his first annual report on the operation of the system, Lloyd refused 'in the public interest' to disclose the number of search and burglary warrants. Instead, he cited the 'comparatively small number' and the now restricted purpose for which they were granted. In 1991, it was reported that 58 complaints of improper telephone tapping and mail interception had been investigated and rejected, giving the issuing of warrants a clean bill of health. However, there are many caveats to his report which, for instance, omits tapping warrants issued by the Foreign Office and the Northern Ireland Office. Lloyd did acknowledge that one warrant can cover more than one telephone line and noted that new tapping techniques 'added greatly to the efficiency of interception'. At the end of the day, there is no effective sanction against illegal tapping, since the tribunal has no way of finding out about taps placed without a warrant.[12]

The experience of Hewitt and Harman, both prominent figures in British political life, provided conclusive evidence that the two Acts designed by the government to offer protection to citizens from Security Service abuse offered no such thing. In fact, the exact opposite situation has been created whereby the security services have legal protection to carry on with wrong-doing without any form of sanction. Perhaps that was the intention of the MI5 lawyers who drafted the legislation. According to a government leaflet:

'The Security Service Act 1989 puts the Security Service on a statutory basis and introduces a way to complain against the Service... The Act established a Tribunal comprising senior members of the legal profession. The Tribunal are independent of the Government. Any person can complain to the Tribunal about anything that they believe the Security Service has done to them or to their property. That person can be an individual or an organisation and a complaint about a person's property may include the place where they reside or work... The Tribunal will advise you as soon as possible of their conclusions... They may also order one or more of the following courses of action:

- The Service to end its enquiries about you;
- The Service to destroy any records it holds about those enquiries;
- The quashing of a property warrant;
- Financial compensation.'[14]

In theory, this sounds impressive, but in practice, evidence of a kind which is impossible to provide is required. Evidence from a serving MI5 officer would be needed; officers are, of course, precluded by the Official Secrets Act from providing such evidence. It is sometimes possible to obtain evidence of actual mail or telephone interception. According to another government leaflet:

'The Interception of Communications Act 1985 now provides protection for the confidentiality of letters, telephone calls and other communications entrusted to the Post Office, to British Telecom... The Act makes it a criminal offence for anyone improperly to intercept communications. An exception to this is when the interception takes place in response to a warrant issued by the Secretary of State...'

Once again, there is a tribunal to consider complaints:

'The Tribunal comprises senior members of the legal profession and is independent of the Government. It has full powers to investigate any case referred to it... If they see fit, they may order one or more of the following courses of action:

a) Quashing of the relevant authorisation.

b) Destruction of copies of materials intercepted under authorisation concerned.

c) Payment of financial compensation.

In cases where there has been no contravention of the Act by the Secretary of State, the Tribunal is not permitted to disclose whether or not authorised interception has taken place, In such a case you would be advised only that no contravention of the Act by the Secretary of State has taken place.'[15]

I had a personal experience of this process when, on 30 March 1990, I mailed a

complaint to the Tribunal. On 2 February 1990, Stephen Dorril mailed two of my manuscripts (*OMAN - BRITAIN'S SECRET WAR* and *PHILBY - THE HIDDEN YEARS*). One arrived intact, the other package went missing. On 3 March, I was informed by the Parcels Section, Leicester, that the contents of the missing package could not be found, though I did receive back an empty, highly damaged wrapper.

There were other, similar, incidents:

During the same period, packages mailed to a friend in France arrived with a note stating that they had been delivered from the UK 'damaged'. In the summer of 1985, a book sent by Robin Ramsay, Hull, arrived, not at my home but at a printing firm he worked for in Hull. A manuscript mailed to Channel Four's *20/20 Vision* arrived split down one side. Of four registered letters sent to *20/20* and *Searchlight* in the Spring of 1986, only two arrived at the right destination. An envelope containing a copy of *Spycatcher*, sent in January 1989 to Fred Holroyd, was delivered with a split down one side.

After receiving an acknowledgement in April, the following month I received a reply from R C Swann, the officer for the Interception of Communications Tribunal at PO Box 44, London, SE1 0TX.

'In connection with your application... I must inform you that the Interception of Communications Tribunal have now considered your application carefully and have asked me to inform you their investigation into the matters you raised has satisfied them that there has been no contravention of Sections 2 to 5 of the Interception of Communications Act 1985 in relation to a relevant warrant or relevant certificate. (Section 2 to 5 cover - warrants for interception, scope of warrants, issue and duration of warrants and modification of warrants.)'

The judiciary have, in the past, turned a blind eye to MI5 misdeeds, even though Lord Denning claimed in his report on the Profumo Affair that 'members of the Security Service are, in the eyes of the law, ordinary citizens with no powers greater than anyone else'. Douglas Hurd, the Home Secretary who guided the Official Secrets and the Security Service Acts through the House of Commons, appeared to suggest that this was correct, admitting that MI5 had never had any powers to bug communications, open mail or enter premises. 'There have been no statutory provisions giving the Security Service special powers in this respect.' Douglas Hurd was not telling the whole truth. As Lord Donaldson admitted during the *Spycatcher* litigation:

'It is silly for us to sit here and say that the Security Service is obliged to follow the letter of the law, it isn't real.'

In the past, prerogative powers protected MI5 from prosecution and enabled Peter Wright and his colleagues to 'bug and burgle our way across London at the State's behest, while pompous bowler-hatted civil servant in Whitehall pretended to look the other way'.

Donaldson said that while ' the Security Service is bound by the strict rule of law', there is always 'a prerogative power not to pursue criminal proceedings'. It was essential that any 'wrong-doing' did not 'deprive the Service of the secrecy without which it cannot possible operate'. In the 'public interest', MI5 officers would occasionally have to break the law, and this was acceptable.[16]

MI5 has always justified illegal telephone tapping by claiming that it was operated under the Royal Prerogative. In 1952, Sir David Maxwell-Fyfe told left-wing Labour MP, Sidney Silverman, that MI5 was authorised to tap telephones on his authority under a 'power which been used by every Government of whatever political faith since the telephone was invented and is a Prerogative power'. Five years later, Lord Birkett, whose committee was investigating telephone tapping, was told that such actions had developed from 'an ancient power... derived from the actions of the monarchy when seeking to safeguard the realm'. In effect, the Prerogative allows the Crown to do anything it pleases, except where power has been limited by statute. This power, invoked by MI5 and ministers is not, Neal Ascherson has written, 'something outside the unwritten Constitution but, on the contrary, is its inner backbone. It is simply the State, wearing a paper crown, doing as it pleases.'[17]

It was Donaldson's comments that persuaded the Government to introduce the Security Service Act which places MI5 'within the law'. This made a mockery of Lord Denning's grossly naive statement that the Security Service 'cannot enter premises without the consent of the householder'. In effect, the Act gives authority in law to MI5 to break into ordinary citizens' homes, tap their telephones and open their mail. Stuart-Smith's reports have offered little protection to the citizen. He admitted that the Home Secretary was 'dependent on the accuracy of the information contained in the application and the candour of those applying for it. This is, of course, essentially a question of integrity and quality of the people involved in the security service'. MI5's record on warrants, such as those based on erroneous information during the campaign against CND, provides no basis for such trust.

NOTES

1 *Observer*, 21.7.91. *Independent*, 20.5.92. Tribunal's address: PO Box 18, London SE1 0TL.

2 *Independent*, 14.3.90.

3 *Daily Telegraph*, 22.2.85.

4 Evidence to the House of Commons Treasury and Civil Service Select Committee, 12.2.86.

5 Gillian Reave and Joan Smith, *Offence of the Realm*, CND Publications, 10.3.85.

6 *Observer*, 10.3.85.

7 House of Lords Judicial Committee (Law Lords), 22.11.84.

8 *Independent*, 31.3.92. *Guardian*, 15.2.92.

9 *Daily Telegraph*, 27.4.90.

10 Letters from the Security Service Tribunal, 5.7.91 and 18.10.91.

11 *Daily Telegraph*, 15.2.92.

12 *Independent* and *Guardian*, 20.5.92. Lord Justice Bingham, responsible for the inquiry into BCCI, was appointed in 1993 to replace Lloyd.

13 Complaints against the Security Service, HMSO, 1989.

14 Interception of Communications Act, HMSO, 1985.

15 *Guardian*, 9.12.88. Peter Wright, *Spycatcher*, Heinemann. 1987, (p 54). Court of Appeal, 22.1.88.

16 House of Commons Hansard, cols 1665-6, 31.7.52. *Observer*, 24.1.88.

Unfortunately, owing to economics and the way paperbacks are produced nowadays - from the plates of the hardback - it was not possible to produce an updated and revised edition of Smear!. There continues, however, to be a steady trickle of additional material on the plots against the governments of Harold Wilson, some of which Lobster will highlight.

STEVE DORRIL

Wilsongate

That plotting by the security services did take place is now accepted by the majority of people and an increasing number of well-placed politicians and commentators. David Owen told the *Independent* magazine (14.9.91) that 'I do believe that there was some monkeying about by the security forces (sic) - and that there should have been an inquiry... But I do not believe for one minute that he resigned under threat of a security scandal'.

The most interesting recent recruit is the former BBC chief political correspondent, John Cole. In his column in the *New Statesman and Society* (12.2.93) he laid into the security services and their attempts to blacken the name of Wilson with real venom. He recalled that in 1966, 'a Young Conservative in Richmond-upon-Thames, who was babysitting for us, related the allegations about Wilson to me, and when I advised her to be careful, she said blithely: "Oh, it's all right, we've been telling voters about it on the doorstep during the election." '. According to Cole, 'there are people connected with the security services prepared to carry the vendetta against Harold Wilson, in one form or another, beyond the grave'.

* * * * *

Alan Hoe's *David Stirling: The Authorised Biography of the Founder of the SAS* (Little Brown and Company, 1992) was a disappointment. Hoe, a member of 22 SAS for twenty years and founder of Security Management and Consultancy Company (Asset Protection Limited), is good on the war years but loses his way when it comes to the post-war world. The chapters on Capricorn, Stirling's liberal scheme for trade with Africa and the development of a multi-coloured democracy in the Commonwealth countries, contain some new bits of information but are sketchy and inadequate. There is, however, important information on the genesis of the MI6 backed mercenary operation in the Yemen in the early and mid-sixties.

Stirling deserved better; Hoe is not up to writing an unbiased and intelligent account of Stirling's political activities in the seventies but he does provide slivers of information which are useful for those interested in the plots against Wilson; for instance:

- Stirling admits that he relied heavily on the friendships he developed at Cambridge and during the war to open doors and for help with his post-war enterprises. Ernie Bond, who commended the first Bomb Squad in the early seventies, was a war-time member of Stirling's SAS.

- The security officer for the escape committee in Colditz, where Stirling was imprisoned for most of the war, was Anthony Simkins, who later became Deputy Director-General of MI5 (p. 243). Charles Elwell, another future MI5 officer, was also in Colditz, though whether he was there at the same time as Stirling or Airey Neave is not known.

- Bruce Mackenzie, who has been identified as an MI6 agent and an important figure in he Wilson plots, was a 'close friend' of Denis Healey (p. 382). Mackenzie became a 'staunch protagonist of Watchguard' - Stirling's mercenary operation - and 'was of great assistance in obtaining access' to government leaders (p. 401).

- His favoured watering hole was Whites. According to Hoe, 'Stirling's heyday in Whites' was the early seventies. During that time, Stirling was being told 'how impossible this or that situation was becoming'. He found it a good place 'to start a rumour' (p. 417). A close friend at Whites was Tory MP, Sir Stephen Hastings, ex-SAS and MI6.

- In 1973, Stirling began to talk about the threat posed by the miners and other portents of doom. 'He had not been so quietly sounding out friends and ministers on their views on the current state of the nation.' Stirling admits that he had 'conduits into Whitehall, Scotland Yard and the security services' (p.455). Who were these ministers? William Whitelaw remained 'very good friends', 'We were both members of Whites and very often one would hear David telling all who cared to hear all his secrets... We would hear the grand plans' (p. 460).

- He was ready when 'in 1974 Wilson slid into government on the back of Heath's "surrender" to the miners'. The situation was part of a 'carefully laid-out strategy which would carry us inexorably towards totalitarianism' (p. 422/3). It was out of a 'study of how power was gained and wielded that Stirling, and later some close friends, evolved the basis for action' (p. 246). Stirling was convinced that a number of Labour government ministers were in sympathy with a wide spread of communist-orientated organisations (p. 450). He was invited to join George Young/Walter Walker's Unison but he was 'reticent' because of its extreme right -wing nature (p. 431).

- Instead, Stirling set up the Greater Britain League, which Hoe dates to 1973, and then GB75 with a committee of

advisers from 'political, business and intelligence circles'. Subsequently, this developed into anti subversion in the Trade Union organisation, TRUEMID, details of which Hoe includes (p. 437). Great claims are made for the effectiveness of the organisation within Whitehall, including the introduction of compulsory ballots for trade unions (p. 461). The first TRUEMID pamphlet was by Sir James Goldsmith, Towards an Open and Classless Society (p. 455).

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In his disappointing autobiography, *Never a Yes Man* (Verso 1991), Eric Heffer reveals that when he was made a Minister of State in the Department of Industry under Tony Benn, his choice of Parliamentary Private Secretary, Caerwyn Roderick, was not immediately accepted for 'reasons of security'. The reasons are not revealed but Roderick was later 'cleared' (p. 153). Heffer was a man of principle but he appears not to have achieved much in the Labour Party, perhaps the fate of all backbenchers.

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Another piece of the jigsaw is to be found in Willie Hamilton's autobiography, *Blood on the Walls* (Bloomsbury 1992). Hamilton cannot remember the date [1974, post February General Election?] but he recalls that a number of Tories were engaged in 'spreading false rumours about Wilson's relationship with his Private Secretary, Marcia Williams. He was approached by an unnamed Tory woman MP [presumably Jill Knight - see *Smear!*, (p. 267 and 287)]. 'She handed me copies of two birth certificates, remarking that they recorded the birth of two children to Marcia Williams. The father was Walter Terry, who had worked as a journalist at the House of Commons. The woman MP informed me that one of the doctors who had signed the certificates was Harold Wilson's own private doctor. The inference was obvious and disgraceful... My views about Wilson were well known [he admits that, in May 1969, when he was elected Senior Vice-Chair of the Parliamentary Labour Party, he attempted to engineer, along with a dozen other MPs, the resignation of Wilson (p. 133)], but I have always believed his morals and his private life were above reproach; in fact, I think he was almost puritanical in that respect (p. 141/2).'

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Peter Wright's claim that in its attempt to undermine the Labour government, MI5 began in 1968 to 'stir things up' continues to look more credible. It was only recently that I read *Seven Spies Who Changed the World* (Mandarin, 1992) in which Nigel West reveals the identify of more people whom Wright and his cronies smeared during his attempt to investigate the 'Oxford Comintern' (see *Smear!*, chapter 21). Jennifer Hart, whose husband, Herbert Hart, died in 1992, disclosed to MI5 the existence of a 'Communist cell', known as the Leighton group which operated in Whitehall, though others have suggested that this was no more than a Fabian discussion group.

A member of the Leighton group included Hart's sister, Elais Judith, who was married to David Hubback, a civil service high-flyer. Hubback's mother was Eva, Principal at Morley College, Oxford, and a noted social reformer and feminist; her daughter, Diana, was the close friend of Sheila Grant Duff, who was a target of Wright and MI5. I managed to track down a copy of *The Incense Tree* (Routledge and Kegan Paul, 1968) by Diana (Hopkinson) which provides some interesting background on his period and the left leanings of the family and friends. It would be interesting to know if MI5 have noticed it; it is possible to imagine the conspiracy cogs turning as names such as Adam von Trott crop up.

In the twenties, Diana went to a 'progressive' school, King Alfred's; parents of pupils appear to have been a collection of 'cranks' and communists'. A fellow pupil was Courtney Young, whose parents were 'well known for their Left leanings'. Young, who was 'considered mildly eccentric at school, since he learned Chinese and kept a mongoose' (p. 29), went on to work in intelligence, joining MI5. During the fifties and sixties he was head of the Soviet section of the counter-intelligence branch. Did Wright ever investigate Young?

After being investigated by Wright, David Hubback was switched in 1968 from the Treasury to a less sensitive post at the Board of Trade. One of his contemporaries at King's College, Cambridge, Peter Vinter, who also worked at the Treasury, moved in 1969 to the Ministry of Technology. This adds to the evidence presented in *Smear!* that there was a major investigation and purge of officials at the Treasury during 1968 - 69.

John Cairncross was a member of the Leighton group, as was a civil servant, named Chivers, at the Department of Trade. Chivers had been at Cambridge with the alleged Firth Man. Another, named Buckley, was a senior official of the Customs and Excise (p. 118). Unfortunately, West has no further information on these people - if anyone knows any more, please get in touch.

An important component of the 'Oxford Comintern', at least in the eyes of MI5, was the communist-dominated October Club. In May 1992, the *Guardian* (22.5.92) carried the obituary of Noel Carritt (Oriel College), co-founder of the Club. Carritt's family was heavily involved in supporting the republicans during the Spanish Civil War and Noel was twice wounded as a member of the British Battalion of the International Brigade. After the Second World War, he worked as a teacher and probation officer. He was a supporter of CND and 'took a keen interest in China through the cultural organisation, SACU'. Obviously, Carritt would have been a target of MI5, particularly so - echoes of Crossman and Philby - since his fist wife, Liesel, was a refugee of Nazi Germany. Diana Hubback (Lady Margaret Hall) was also member of the October Club which was occasionally attended by Adam von Trott. She mentions a Jack Dunman (?) as one of its leaders.

My interest in this area is that by building up a detailed picture of these interlocking relationships, it is possible to glimpse how MI5 files looked and thus establish the full extent of the conspiracy which Wright and others constructed and which was to prove so destructive to a number of individuals loosely connected to Wilson and his governments.

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The *Sunday Express* (3.5.92) carried a story on Erika Chambers, who is alleged in a book, *Mossad's Secret Agent* by Wilhelm Dietl, to have been used by Mossad to avenge the Munich Olympics massacre. Chambers, codenamed Penelope, helped, in 1979, to kill the Black September terrorist, Ali Hassan Salameh, who planned the death of the eleven Israeli athletes. The snippet of particular interest is that Erika had been a babysitter for neighbours of her family in Holland Park - Tony Benn's family.

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The most important new information on the plotting comes from Peter Cadogan who, from 1974, kept a diary/journal. Cadogan had been a member of the Communist Party of Great Britain from 1946 until 1956, when 'for me, the balloon went up over the Khruschev speech, Suez and Hungary'. He joined the Labour Party and helped form two Trotskyist outfits, the Socialist Labour League and the International Socialists. Disillusioned by the backward nature of the left, he became interested in direct democracy, helping to form Turning Point, which was involved in formulating extra-parliamentary politics. In 1990, he founded Values and Vision, a small independent multi-purpose group of equals. As General Secretary of the South Place Ethical Society, Cadogan came to know and to occasionally lunch with George Kennedy Young, former Deputy Chief of MI6 and a leading figure in the

anti-Wilson plots. The background to this unlikely relationship is recounted by Cadogan in *Unlicensed Rebel of the Right*, which appeared in full in *Open Eye*. The extracts from the journal, published below, confirm much of the account given in *Smear!* of Young's activities in the mid-seventies.

25 July 1974

George K Young had lunch with me today in he Library at Conway Hall. He tells me that the Conservative Party has collapsed in Scotland and Tories in general hardly know what they stand for because they don't have what Heath stands for.

He is working on something I think he called plan B. Like me, he expects the collapse of central government, but we are working in utterly different ways form opposite ends of the political spectrum. He, in company with about a dozen others, has drawn up a plan (and had it bound!) and discussed it with the Head of the Secret Service [Maurice Oldfield] *and a top man in the Special Branch* [possibly Ernie Bond]. *It involves, or is intended to involve Lord Lieutenants, Chief Constables and their kind. He is looking for some kind of base in the Royal Society of St George and the Ratepayers Association, to which, he say, some thirteen million people have paid their 25p. Gerald* **Howarth**, *ex-Society of Individualists, is much involved. He thinks the outcome of the present crisis* will *be violent but we didn't discuss it in detail. In my view the violence has only to be marginal or we lose the day and end up with another authoritarian regime. He takes the regional case but makes less of it than I do. He uses a military formula for working things out: Objects, Factors, Courses, Plan.*

He saw Enoch Powell last week for about an hour and a half but doesn't think much of him. He ratted on his own party people and constituents in the middle of an election build-up. He is making the mistake of getting directly involved in Ulster politics (in looking for a constituency there), fatal in George's view - and generally seems to have lost out.

I asked him about Rees-Mogg's extraordinary outburst on a return to the gold standard. He tells me that R-M is fishing for a peerage and that no PM in recent years has taken him seriously. A weak government likes to have weak Times *and that they certainly have. R-M is a lightweight. He has not replied to my offer to take up Roy Lewis's suggestion, in a letter published recently, that someone should say what extra-parliamentary action is. George tells me that Lewis edited a series of books of which one of his -* Merchant Banking *- numbered.*

I asked him about the Far Right. The Monday Club, he says, is virtually in a state of self-destruction. What he said about Jonathan Guiness turned out to be about right. But the Monday Club in the Midlands has developed a life of its own and could be of consequence.
Of the National Front *it seems that there is a chap called Roy* [Bramwell] *who is a self-made millionaire and who reckons to get rid of both John Tyndall and Martin Webster within two years. George doubts if he will make it. It will take a good organiser to beat Webster to the draw!*

I showed him the cover design of my DIRECT DEMOCRACY and he was interested and sympathetic. He is very frank with me and I am equally straight with him. It is a strange relationship. He mentioned, in some context or other, that he had previously been much involved in planning the overthrow or the bolstering of Governments (presumably in he Middle East) so that his present activity was not all that different!

29 July 1974

Aye! Aye! Today's TIMES carries quite a long report on the emergency organisation that GKY described to me last week, but his name is kept out of it. Now the climate will really begin to change... When the politicians see others getting ready to do their job because they have failed, there will be some very interesting sequels from all directions!

29 October 1974

James Robertson came to see me last week. It was at this meeting that the first seeds of TURNING POINT - 1975 to the present - were sown. I put it to him that all I could think of was doing a series of working lunches at Conway Hall - and see what might come of it. He is going to invite Dick Taverne and I have G K Young, Marian Boyars, Michael Barnes and Malcolm MacEwen in mind. Something might come of it.

5 December 1974

We had the working lunch for ten people today (at the Hall). My guests were G K Y, Michael Barnes, Alex Cox and Marian Boyars. James had three guests including Tony Wilson of British Oxygen. *Tomoko Sato acted as co-host with me. At the very end George staggered them (except me as privy to the news) by revealing that it was he who had drawn up the plan that* **General Walker** *is now acting on. He told us that cadres had been recruited, how an alternative communications system existed, how contacts ranged form the Palace down! Shock all round the table! (Note: GKY played no further part in the negotiations that led to* Turning Point*!)*

15 July 1976

Today I had lunch with GKY at St Stephens Club near St James Park. He told me that when he fist had to idea that is not UNISON he saw **General Templar** *about it. Templar was interested but too old and sick to act and he suggested General Walker. George then saw General Walker and he, having read George's draft, agreed to take on the job.*
The form the thing now takes is that of an instant communications network capable of acting at the highest level if the established machinery of government and communication breaks down. Key contacts to be with Lord Lieutenants, GOCs, Police, key MPs and key people in a list of associations. At the top is Lord X (I was told his name but it did not mean anything to me and I forgot it), but he too is a sick man. The key man in the Commons is Sir **Frederick Bennett** *and with him are some twenty other MPs. The communications network will function through he 'ham' radio system and another special system of communications has been established with some help form the Home Office.* **UNISON** *will go public later this year.*

There used to be, he said, an emergency system in this country based on the counties (presumably a reference to the Regional Seats of Government *set up in the 'twenties after the experience of the General Strike and re-activated in the 'fifties in face of the possibility of nuclear war. PC) but Heath dismantled it as a reflection on his capacity to govern and Wilson, with five 'Communists' in his Cabinet, was in no position to revive it. George is a little free with his use of the word 'Communist' but does not see Reds under the bed!*

He sees a General Election producing a minority Thatcher Government and no progress. When it breaks down or threatens to do so, there will be a need for a new initiative. He has set up a group of about a hundred Tory MPs who are alerted to the possibility and will take suitable action. What action is yet to be determined. Discussing how the eventual breakdown might take place he instances the case of Darmstadt in the 1923 crisis. The local authority could not pay its bills, the local bank could not or would not help and the trouble spread. A local authority in England might owe over £100 million and raise money on very short terms, ie on 24 hour loans. If and when it gets to the point that accumulated borrowing means that current liabilities plus interest payments are such that costs cannot be met - then the Darmstadt spiral might begin here.

26 March 1981

A two-hour lunch with GKY at the Caledonian Club in Halkin Street. He tells me that the emergency organisation UNISON was formed in 1967 [?] and **TORY ACTION** *subsequently. He has been the Secretary and the moving force in TORY ACTION since its foundation but he has told people that he will resign next month on the occasion of his 70th birthday.*

He tells me that the Hollis crisis engendered by Chapman Pincher is a money-making gimmick and Hollis was not a double agent. Hollis was a rather ineffectual Head, and that's all.

He identified Malcolm McIntosh in the PM's office as the key man on the Soviet Union. Apparently he was with Koniev during the war. He (George), Michael Calvert and others are working on a Special Operations idea and the production of a paper for submission to Maggie. But Calvert is apparently a little past it and George is taking thinks out of his hands as regards costing etc. As usual we got on very well. General Walker's project has apparently run down.

There seems to be considerable merit in keeping as quiet as possible about this politically sensitive issue.

- W R Morgan, DTI official, July 1988

Iraqgate

Betrayed: The Real Story of the Matrix Churchill Trial, David Leigh with Richard Norton-Taylor, Bloomsbury, 1993
Trading with the Enemy: Britain's Arming of Iraq, John Sweeney, Pan, 1993
Guns, Lies and Spies: How We Armed Iraq, Chris Cowley, Hamish Hamilton, 1992

It is becoming more and more apparent that Iraqgate is assuming for the Conservative administration of the last fourteen years, the same importance as the Watergate scandal and Iraq-Contra scandals did for American republican governments. As with those affairs, what has emerged so far is only part of a much bigger scandal of a secret government network centred on the arms business and involving deception of Parliament, illegal arms sales and corruption.

If the full story does surface, the scenario appears to be something like this. Mrs Thatcher, anxious to give as much support as possible to Britain's arms industry - our only major profitable manufacturing sector - put the intelligence services to work gathering information on arms markets and sales. The big success for these endeavours was the £5 billion Al-Yamamah Tornado deal with Saudi Arabia which was won against strong competition from France and the United States. Besides the intelligence being put through normal channels via the Joint Intelligence Committee, a secret and discreet intelligence 'pipeline' was developed which ran from the Prime Minister's office. The conduit for this information appears to have been family members who passed on information to friends and business partners in groups such as the 'Savoy Mafia'. Armed with up-to-the-minute information on forthcoming arms deals, a sympathetic Thatcherite group of wheeler-dealers, former intelligence operatives, bankers and arms manufacturers used the information to get in first with bids and agreements. One victim of this group would appear to have been Astra Holdings.

Some of the deals, such as the Al-Yamamah deal, involved huge 'kickbacks'. Strong rumours currently circulating indicate that money from those deals went not only into private pockets but also into Tory Party off-shore coffers. It may be purely co-incidence that Mark Thatcher took his millions to Switzerland at around the same time that the Tory Party transferred its off-shore fund to a Swiss account.

The gaffe was blown before Mrs Thatcher was forced to step down as party leader, when her former close aide with MI6 connections, Ian Gow, went to see her privately to warn her that details of her son's business dealings were becoming increasingly embarrassing and were likely to be aired in the press.

Major components of this scenario also include the following:

1 The relationship with the murderous Chilean regime of General Pinochet and the arms dealer, Carlos Cardeon, which developed in secret after the Falklands War. This involved close co-operation between MI6 and Chilean intelligence which partly explains the sensitivity of the murder of journalist, Jonathan Moyle.

2 As payback for the help given during the Falklands, Mrs Thatcher agreed to let MI6 off the leash to undertake covert operations which the US Senate would not allow the CIA to conduct. This included supplying clandestine arms supplies.

3 The case of the British company, Allivane, which illegally but with the knowledge of the government, supplied arms to both Iran and Iraq. Closely involved with Cardeon and James Guerin's International Signal and Control company, the scandal of Allivane is believed to be, by those following the story, bigger than the Matrix Churchill affair and at the heart of what was really going on. For background, see 'When George Bush met James Guerin' in *Business Age*, July/August 1993, which amazingly treads all over the libel laws.

4 And, of course, Iraqgate itself.

There was the secret policy tilt towards Iraq by the United States and Britain, during which MI6 and Iraqi intelligence developed a close relationship. Although the CIA had a presence in Baghdad, it was not engaged in intelligence gathering and the agency had to rely, increasingly on MI6 for that task. In January 1988, Trade Secretary, Alan Clark, admitted that British policy on Iraq was dependent on Washington and that intelligence was being shared between MI6 and the CIA which, in some instances, went straight to the White House.

It was wrong, however, to assume that British policy had put the 'short-term interests of intelligence gathering and arms sales before the long-term good of stability in the region', as more than one commentator has suggested. Evidence coming from both sides of the Atlantic suggests that there was a co-ordinated effort, very early on - closely monitored by the intelligence agencies - to build up Iraq's military arsenal as part of a Middle East strategy to counter Iranian Shi'ite fundamentalism. A declassified National Security directive signed in October 1989 by President Bush considered it a top priority to give money and technology to Iraq because Saddam was seen as the 'West's

policemen in he region'. Saddam Hussein was an anti-communist and was seen as a counter to a radical Islamic Iran, which threatened to sweep across the Middle East and undermine the oil kingdoms in the region.

Britain's policy was mainly dictated by the prospect of favours from a key regional power with the potential to be the world's second biggest oil producer. In the aftermath of the Iran-Iraq war, imports of Iraqi oil rocketed and the price at which Baghdad sold the crude to Britain was lower than that from any other Middle East source. In return for cheap oil, Britain sold military technology to Hussein.

With the knowledge of MI6, Iraq funded its weapon procurement network principally through the Atlanta branch of the Italian government-owned. Banca Nazionale del Lavoro (BNL). Between 1985 and 1989, BNL made five billion dollars worth of illegal loans - the biggest fraud in American history. MI6 was also aware that BNL received the bulk of its funds from the Bank of Credit and Commerce International which supplied money at unheard of interest rates. BCCI apparently had a 'special relationship' with Iraq, a fact known to the Bank of England. Kickbacks from some of the arms deals are said to have been salted away in secret Iraqi BCCI accounts in the Cayman Islands. According to the *Independent*, MI6 used BCCI to fund arms sales to Iraq which may explain the damp squib nature of the Bingham report into the bank's collapse and the efforts of the government to cover-up.

Thus it would appear that the government's wish to promote trade, the Foreign Office diplomatic efforts and the interests of MI6 all conveniently co-incided in what the *Daily Telegraph*, deemed to be 'a bizarre tale of spying, murder and political intrigue.'

Elements of the story are contained in the three paperbacks which have appeared over the last six months. Additions to a steadily growing body of material on Iraqgate, more is promised in the autumn on Mark Thatcher and aspects of the Allivane case. The Leigh is an instant, essential and valuable record of the Matrix Churchill court case which provides a lot of the detail provided in the MI5/MI6 documents, which were eventually handed over to the defence team. The *Observer*'s John Sweeney looks at the background of the relationship between Britain and Iraq and the secret arms trade. It is less a nuts and bolts study and more a personal, polemical account highlighting the human rights issues. It is a good read and more so for its display of anger.

Chris Cowley's is a personal memoir of his time with Gerald Bull and his involvement in the supergun saga. He makes a case, which I believe, that the original 'gun' was, in fact, a launcher to put a primitive satellite into orbit, which is one reason why it was allowed to go ahead. Cowley's account always seems to be on the edge of some major revelation but never quite delivers, though there are some important tales of corruption in the Belgian end of the arms network. At the end of the book he does, however, offer some tantalising snippets of conversations made by Bull who, when he knew things were going badly for him, began to record his telephone calls. Someone has these, has the Scott enquiry sought them out? I very much doubt it.

Although there was initial scepticism that the inquiry under Lord Justice Scott would deliver, opinions changed and some observers felt that people had underestimated his desire and ability to get at the truth. However, despite revealing much duplicity by civil servatns, it now looks as if the inquiry will be something of a disappointment. He has indicated that the purpose of the witnesses is merely to plug holes in the documentary record. The questioning has been weak and hardly thorough. It certainly lacks the aggression of American Senate committees and even of British inquiries held in public such as the Lynskey Tribunal.

The idea, which Scott seems to hold, that the story can be told through official documents is either naive or a deliberate move to dilute the inquiry. It will look good, appear authoritative but will fail to get to the bottom of a scandal which goes to the very heart of British government and Thatcherite activities in the 1980s.

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The Devon Island Account - Leslie Aspin's Statement

There have been a few articles in the British Press which have touched upon British connections to the Iran-Contra scandal - in particular, the activities of David Walker and his mercenary company, KMS - but, as yet, no one has pulled together the material which continues to surface.

For instance, we know that the outlines of the Iran-Contra operation were known from an early stage by British intelligence. GCHQ had been supplying Whitehall with communications picked up by its Cyprus station but these were not detailed enough to provide a clear picture of what was really happening. Recently published books and articles on the relationship between Oliver North and Terry Waite have revealed that on 8 December 1985, Robert Macfarlane, Reagan's former National Security adviser, flew to London with North for a meeting with the arms dealer, Manucher Ghorbanifar, two Israeli arms dealers, Adolph Schwimmer and Ya'acov Nimrodi, a Mossad veteran living in London, the British-born David Kimiche, previously Deputy Director of Mossad and then director-general of the Israeli Foreign Ministry, and Richard Secord, a retired US air force general who was responsible for arranging the transport of arms to Israel. MI5 bugged the secret meeting at the London hotel. Intelligence reports, classified for "UK Eyes Only' so as not to antagonise the United States, were then passed by the Joint Intelligence Committee to the Prime Minister, Margaret Thatcher, her deputy, William Whitelaw, Foreign Secretary, Geoffrey Howe and Defence Secretary, Michael Heseltine.

On 20 February 1986, Sir Antony Acland, Permanent Secretary at the Foreign Office, and Sir Percy Cradock, Chair of the JIC, flew to Washington for talks with Admiral Poindexter, MacFarlane's successor on the National Security Council. Without disclosing their own intelligence, Acland and Cradock informed that Admiral that 'there were on the diplomatic circuit, rumours that there was some kind of deal between the Americans and the Iranians over the hostages'. According to the Americans present, the British claimed that the rumours originated from 'Tiny' Rowland of Lonhro. Acland went on to present 'the firm view of the British Government that there should be no deals'. Poindexter gave Acland 'no indication of any kind that there was a deal'. Although London was angered at being misled, the British Government refused to push the issue mainly because of Mrs Thatcher's high regard for President Reagan.

How the British security services came to hear about the London meeting had not been revealed but it is possible that they learned of its existence through the involvement of a number of MI6 'assets' on the fringes of the affair. One was Ian Spiro, whose suicide, or murder, generated a number of conflicting theories. The most interesting snippet of information being that Spiro 'was placed in touch with Ollie by the cousins (MI6)', according to a former American ambassador, Eugene Douglas, in *Esquire* magazine (March 1993). After Spiro's death, the shredders at Century House began working overtime, emptying his personal file. The other possible asset was Leslie Aspin, who had been a low-level MI6 agent during the seventies, providing information on IRA arms supplies and mercenary recruitment operations. Aspin's brother, Michael, was sentenced to six years imprisonment for his part in an arms scam involving Iran. The Aspin's had claimed that they had been working for North as part of the British end of the operation. The Judge dismissed their defence as a fantasy; however, *Private Eye* has been running - over the last couple

of years - some interesting pieces suggesting that what they claimed was indeed true. In this context, it is worth printing the statement made by Leslie Aspin on 1 May 1987.

In June 1984, I was contacted by a Mr Casey who was then head of the CIA in the United States of America. I met Mr Casey through a Mr Lenard Katz, who is ex-Chief of narcotics advocate in Europe, retired. He requested me to assist in the sale of Tow missiles to Iran, in exchange for hostages held. These hostages were being held in Lebanon.

So in June 1984, I started a series of meetings in London, I suppose there were probably six to eight meetings all told in that month, one of them being at the US Embassy, Grosvenor Square. During these meetings I was given 'phone numbers of Col Oliver North - 202 355 5387 and Richard Secord - 703 893 2545 or 2549. I was also in contact with Rob Owen and Dave Ginman and I could contact them on 215 688 5708, but my first contact with Rob Owen and Oliver North was in 1983. During these series of meetings it was discussed as how one could get the hostages released, the ways of doing it, some of them improper, some of them proper. I decided that my best bet was to swap Tow missiles for hostages as we knew they desperately wanted, that's the Iranians, the Tow missiles. I therefore contacted a Mr Ben Banerjee, who is a registered licensed arms dealer. We had several meetings at his home, and in London. I was being paid expenses only and I had to obtain a commission, if necessary, from Banerjee, for any profit that I was likely to make, but because of his greed, the deal did not mature to pay me, but I understand that he made huge profit and in my opinion it was his greed that led to the failure to release the hostages.

The route for this deal was to be Lisbon to Iran, so after many 'phone calls and meetings I took Banerjee to Lisbon in October 1984 and November 1984. Each time we booked into the Ritz Hotel. I then contacted a Mr Jonas Botto of Bravia, which is a member of the National Industries of Defence and Mr Tony Lopez, whose address I had received from my brother, along with his 'phone number. After meeting with them, and various 'phone calls, it was decided that they would help me to put the mechanics of all this together, ie the arrival in Lisbon of the Tow missile, a transfer for military craft to Tehran. I also took Banerjee at this time to the Director of National Armaments, which is the National Industries of Defence. I had an agreement drawn up between National Industries of Defence and Ben Banerjee's company, B R & W Industries Ltd, Longbarn House, Ravenstone, Olney, Bucks, MK46 5AS. This was on 6 October 1984, the reference number was P442. I enclose a copy of this for your attention. I also enclose the Certificate signed by General Alvares, which has a serial number 333118/84 S.AQ and again this is for Tow missiles and I enclose a copy, as it is also addressed to Ben Banerjee.

At the same time, I had an agreement made out for Delta Partners, so if Ben Banerjee fell down on his job or tried to deceive us in any way, I could drop him and carry on the work with that company, although I must confess, it was Banerjee's British license that we needed for this to carry any weight behind it. At one meeting in the Ritz, I introduced Banerjee to a Mr George Rachelle, a German, and a Mr Costas Gasparis, Greek. At this meeting it was agreed that I would go to Zurich and meet with a Mr Ghorbanifar who would act on behalf of the Iranians. On my return to England I made a full report of what had happened to the USA, that is to say, I 'phoned Oliver North's office and I spoke to Colonel Earl on 202 3565387 and informed him of what had happened. I also gave my brother, Michael, the agreement that was made out to Delta and told him of my progress and my progress with Botto, who was his connection and also Tony Lopez, who was also Mike's connection.

I then went to Zurich on 14 November 1984, with Ben Banerjee, where we booked into the Opera Hotel. I enclose a letterhead from them. A Mr George R [deleted] arrived, who, in fact, lives quite near to the hotel, along with Mr O S [name deleted], who is ex-US Army officer, although he is German and is also a member of the CIA. His phone number is [deleted] and he lives at [deleted]. He was also at that time acting as Mr Ghorbanifar's aide-de-campe and escorting him everywhere; they had, in fact, just come from Hamburg, where Mr Ghorbanifar had been conducting meetings with the Mullahs, that is to say the religious leaders who were overseeing this affair, live in a villa, just outside Hamburg.

The meeting at the Hotel Opera went well, with Mr Ghorbanifar, Banerjee supplied his invoices fro Tow, which Mr Ghorbanifar accepted. That night Ben and I had a meeting with Col. North and Bill Buckley, who was head of CIA, Lebanon. Ben at this stage was 100% sure of official US backing on the project, as he had now met with North again, this seemed to give hi more confidence. He had previously met North, when North was a CIA agent in Sweden. After Ben had left I was given details of bank accounts and the names of companies I could use, plus I was told to go to Paris to open more accounts with Banerjee, in the name of Devon Island. The air transportation was to be carried out by a subsidiary company of Southern Air Transport, a company run by a retired US Air Force General. His phone number was 703 893 2545 or 48. The companies were CSF Compagnie Services Fudiciaries, Blake Resources and Devon Island. An account had already been opened in Credit Suisse, for Blake Resources, that account number was 386430221. Devon Island was to open its account in Paris at the Bank of Credit and Commerce, of which I believe you have the business card of the manager who we met at a later date. Ben and I flew to Paris, we then opened the accounts. North and Mr Ghorbanifar were there. We were met by the representative from the bank and driven in a black limousine to the Hilton Hotel, where the bank has rooms at its permanent disposal. I remember very clearly on the way to the hotel that Ben use the phone in the care, in the bank's car that is, to phone his wife in England. The accounts that were open were, number 1 account - 10 243 8625 into which US $5,000,000 was placed, number 2 account - 10 243 9725, the interest account number 3 - 10 24 400 25, that account only had the signatures of North and Banerjee. On all of the others, I was a co-signatory along with Banerjee and Ghorbanifar.

We returned to the United Kingdom over the next few days. Mr Ghorbanifar phoned me and said he had a problem and we would have to travel to Hamburg, where the two Mullahs lived to sort it out. I phoned the USA 202 356 5387 and spoke to Col Earl, North's assistant, and explained the problem to him. I also advised my brother that there were problems, as he at that time was to start to arrange the insurance, as this had been a problem and the Mullahs were concerned that their money would not be covered in the event of a disaster with the aircraft which, under the circumstances, could possibly be blown up in mid-air by Iraqi agents or other parties. Ben Banerjee had agreed to this as well.

I had various meetings in Hamburg, Paris, Frankfurt, Zurich and London. The dates in m passport as follows - I visited Lisbon on 18 October and 4 November. I visited Zurich on 14 November. I visited Paris on 15 November 1984, 28 November 1984, 30 November 1984 and 6 December 1984. I visited Hamburg on 20 December 1984, 19 December 1984, 16 January 1985. I also made various trips during this period in military aircraft to and from bases in Europe, in which case my passport was not stamped. I enclose a photostat copy of my passport stamps.

At various times during these meetings was a gentleman by the name of William Buckley, Oliver North, Manjur Ghorbanifar, G R, O S, Ben Banerjee and myself, Les Aspin. All the meetings were conducted for example, in Hamburg at the Campinski Hotel, which is also known as the Atlantic Hotel, in he Sheraton Hotel, Frankfurt, at the Hotel Opera in Zurick the Hilton Hotel in Paris, the Churchill Hotel in London and the Portman Hotel in London, Lyon Traill Attenborough's offices and also in a private villa, just outside Hamburg. This is where the two Mullahs in fact lived, who had the final word on most things. At this time I re-advised my brother that there were still problems with the insurance and he should arrange it as soon as possible, as the Mullahs were pushing for a copy of the document. Again, Ben Banerjee agreed to this. One of the most important meetings was on the eve of 5 December, at the Frankfurt Sheraton. Because on the morning of the 6th a car arrived to pick me up fro the Iranian Embassy in Bonn. I went in the car to Bonn, with a letter given to me by Ghorbanifar.

I gave this letter to the Ambassador, Mr Mohammed Javed Salari. He asked me to wait for possibly one or two hours, for the paperwork to be competed. I went to a Chinese restaurant just next door to the Embassy and had a meal. When I returned to the Iranian Embassy I was given a letter for Ben Banerjee and three End Users Certificates. The first one being for 20,000 Tow missiles, the second one being for 5,040 pieces of .75 cal 9mm pistol and 10,000,000 rounds of ammunition and the third one was for 10,000 Uzi sub-machine guns. I should mention here that 40 CZ pistols had already been delivered via Vienna as a trial run to prove Ben Banerjee's capabilities. At this meeting I also requested that the Tow requisition be made out for Delta, still keeping in my mind that Banerjee could double-cross us. That night I flew to Paris and met Ben at the Hilton Hotel in Paris, where I photocopied all the documents and gave the originals to Banerjee. The following day he deposited them at the Bank of Credit and Commerce and we returned to England.

In the middle of December, Mr Ghorbanifar phoned me to say that there was a small problem yet again, and could I arrange to have Ben Banerjee and company to attend meetings in London, where Mr Riazi the Prime Minister would be, but unfortunately, Mr Riazi had the flu, but at various meetings where I tried to keep the group separate, he gave a political speech and assured one and all that everything was OK and that he was still trying to arrange for the release of hostages. At this time, Ben Banerjee put the price of the Tow missiles up, against my advice. By this time, my brother had arranged the insurance etc, but in January Mr Ghorbanifar came to London where Banerjee picked him up at Heathrow Airport and brought him to Lyon Traill Attenborough, where he gave me his own cheque, which I then gave to Banerjee. It was during this meeting that my brother Michael walked in, and I said "enough is enough, you will now have to carry on this without me.". One must bear in mind that the paperwork process that was now going to be dealt with I was not familiar with, and that I had completed my part of the operation and my brother was now well enough to carry on himself in any case. At this meeting there was a William Harper, Ben Banerjee, and various other people, including Ghorbanifar. Prior to this, I had several meetings at Lyon Traill Attenborough's office with William Harper present. During one of these meetings I had Banerjee there with a representative from Lisbon for the National Industries of Defence, from which we were again reassured that the doors were open for the flights to come in.

During this period of time, another company was formed called Kenard International SA, Apartado 6-4298, Estafata. Eldorado, Panama City, Panama. An account was opened in the Indo-Suez Bank, 39 Ali Shaffar, Luxembourg. The account number was 8961. The telex number of the Bank is 1254. The telephone number is 010 352 47671 and the manager of accounts was a Mr Schiltz. At the same time Mr Schiltz made aware, by tested telex from Morgan Guaranty, New York, that money could arrive there for departure to Indo-Suez Bank in favour of account number 8961.

I am also sending you the letter form Scope to Mr Ben Banerjee, confirming that in exchange ... for supply 5,000 Tow and other equipment. I include a letter which is a covering letter from the Iranian Embassy in Bonn. This clearly states that Mr Banerjee and Mr Ghorbanifar were involved in the supply of Tow missiles, and I also include a letter from the Iranian Embassy in Bonn, which is for 20,000 units of Tow, and confirming that funds are available. I also include a letter which is from Bravia to Ben Banerjee, confirming, once again, the Tow missiles. I also confirm that Bravia gave an identical letter to Delta, which I handed to my brother. I also confirm that the letter form Bonn, which is addressed to Messrs B R and W Industries, in which it confirms the Frankfurt meetings, was also given to my brother Michael, address to Delta, and I would also confirm that one of the documents that I have seen that apparently was produced as police evidence, document number 61-LE/20, is in fact a forgery. The 10,000 pieces of Uzi 9mm have been added, this is not one of the original documents or copy of the original documents that I brought back from Bonn.

I also include some airline tickets, boarding cards, hotel receipts and it will be interesting for you to note that on the back of these boarding cards, I visited the Duty-Free Shop and it gives the dates in which the flights were actually on, if that cannot be checked with the flight carriers.

I would also like to confirm at this stage, that because of the Iranians keep changing from FOB CIF, in particular this was Mr Ghorbanifar, it caused so much confusion along with Banerjee increasing his price, which in my opinion led to the downfall of this.

The reason I am making this statement is because next week in the United States of America there is going to be a Senate Committee hearing, when I think most of this information will be disclosed at some point, and I wish to get my side of the story out, including telephone numbers and account numbers which at this moment have not been made available to the general public, and there is no way I could have this information unless I had participated in this transaction.

I would also like to clarify that my dealings were solely with the CIA and my brothers with the Defence Agency, who were both in contact at various times with each other.

I would also add that I am still working with the CIA, which puts me in a very invidious position in as much as I am still working toward the possible release of the hostages, by arranging transactions in other types of equipment, mainly radar and missile systems.

I categorically state that unless a High Court Judge personally directs me to speak to any British officials, including the police, I will not be available to anybody and this is the only statement that I am going to make.

The statement that I have made to the police I believe I told them what they wanted to know, what they wanted to hear, which I have been very, very wary of, because various documents have turned up since then, in the hands of American officials, so it is obvious to me that their security is not what it should be and there is not way I could entrust myself or the knowledge that I have, information, into the hands of the British police. In particular, not to help certain persons further their career, or for this information to be used for political scandal, in particular, against the President of the United States.

I would much prefer the British police to think of me as an idiot and a bit player in this whole affair.

Also bearing in mind that during the course of these transactions one of the parties involved was taken hostage himself in Lebanon, and eventually tortured to death, and he was head of the CIA in Beirut at that time.

Once again, I say, my name is Leslie Alan Aspin, I reside at 47 Desmond Drive, Olcant, Norwich and this is the end of my statement.

In 1992, Senator John Kerry's inquiry into the collapse of BCCI discovered that there was indeed a top-secret account of that name in the Paris branch of the bank. Kerry tried to gain access to the account called Devon Island but was blocked by the British authorities. One wonders, why?

One of my regrets is that, in 1990 I had a clear out of files and cuttings which I thought were no longer relevant or required. One huge file of clippings, which I had been collecting since 1983, was on BCCI. I don't know why, by I always had a feeling that something was fishy about that bank. It had all the tell-tale signs of another Castle Bank - ie, a front for activities of the intelligences services. I was particularly intrigued by the involvement of Tory MPs, Julian Amery and Sir Frederick Bennett as advisers of the bank, though nothing was ever found to suggest, nor do I, that their relationship with the bank was anything other than proper and correct.

Nick Kochan, co-author of *Bankrupt, The BCCI Fraud* (Gollancz, 1991) reviewed Peter Truell and Larry Gurwin's excellent *BCCI-The Inside Story of the World's Most Corrupt Financial Empire* (Bloomsbury, 1993) in the *Guardian* (2.2.93). The review contained a remarkable passage which appears to have gone unnoticed. He talked about a 'series of networks in the British Establishment.

Evidence is now available of the multitude of leading politicians who enjoyed BCCI's excellent hospitality, had accounts with its branches, and even (reputedly) collected envelopes containing fresh pound notes (for charity, of course) on their visits to 100 Leadenhall Street, where the bank had its headquarters. With this network in place, it begins to become clear why BCCI was able to keep its UK banking licence for so long' - and also possibly why the British authorities would not like details of the Devon Island account to be revealed.

*****

Reprinted opposite is a quite astonishing memorandum which was posted to Labour MP, Jeff Rooker, who at the time was a prominent member of the Commons Public Accounts Committee and a well-known pursuer of financial scandals. Rooker sent a copy of the memo to Mrs Thatcher, who passed it on to ' the appropriate authorities'. Nothing more was heard of the memo until its existence was mentioned in *Private Eye* (19.6.96). The author and provenance are not known but it certainly deserves investigation.

COPY

To: Chairman [redacted] From: [redacted] Copy No.: [redacted]

Classification: Restricted 2nd May, 1989

Newspaper articles on BAe and HMG bribes to obtain Tornado etc. business

1. Jordan.

The inflated contract/ITP was cancelled,not "suspended". The price BAe hoped to obtain was in fact 112% above the comparative price charged to the RAF according to an insider report(active executive).King Hussein was severely shocked when he discovered the way Mrs.T. tried to force these over-priced aircraft on him.The news of this intended purchase was a contributory cause the.the recent riots in Jordan.

The Jordanian middlemen resident in London, Ghazi Shakr and Munir Attalah, are extremely upset and tried to personally intervene with Mrs. T. to rescue the deal. One visible commission of 12 million Pounds per plane payable to a special account was to be split 75% for Shakr and 25% to Attalah. Attalah's role in this deal is in fact far more important than previously recognised. He claims to collect money for the King but that this is totally untrue.

2. Saudi Arabia.

Ballast Nedam and their work on the intended huge airbases (clearly meant for use by the USA in case of tension) has come to a complete stop and their team has left Saudi Arabia and been told that the project is "suspended". The company's resident Dutch manager has left for an extended leave for Holland.

There are constant phone calls between Mrs. T. and King Fahd and Sir Peter Levene and Prince Sultan. Levene was in fact the person that made the crude oil arrangement which was invented to enable HMG/BAe to pay the huge commissions to the Saudis and their middlemen whilst still enabling HMG and BAe to sanctimoniously declare "there are no commission payments by us". Several members of the Saudi Royal family have openly taken sides against this business and the Observer article of 19th March has been reprinted in Arabic in Saudi Arabia and distributed widely. According to Saudi sources, this could have only been done by some member of the Family.

An executive of BAe explains the price, also about 120% above the RAF price by the commissions amounting to over 45% and the (successful) attempt by BAe to charge "proper profit margins on unprofitable business done in the past". Since the King wanted these huge commissions and BAe and Mrs. T. agreed to them, he could clearly not argue against this extra charge and also had to agree to "no comercial negotiation".

The same source also states that there is a sizable payment to the Conservative Party ("a huge sum") which is being administered by Wafiq Said in conjunction with Mark T.

The contract is being openly talked about in the Saudi Air Force and Saudi public. This has never happened before, no-one would have dared to under another King, and it shows the weakened position of Fahd.

A big talking point in the Royal Saudi Air Force is the fact that they are receiving nuclear-hardened Tornados on which King Fahd insisted under threat to cancel the contract and the RSAF are now trying to guess whose nuclear weapons they will be expected to carry. The word is, it will be the Pakistani bomb on a strike against Israel. Apparently, HMG agreed vis-a-vis NATO that they would not supply nuclear-capable aircraft to third non-NATO countries.

3. Malaysia.

The BAe source states that the price to that country is comparable to Jordan, about 112% above the RAF.

Reason: a large front payment to the UMNO party, if the PM Dr.Mahathir Mohamad is to be believed and it does not go straight into his pocket, of USD 250 million (already paid) and commissions payable to 3 other persons of altogether about 35%. The rest is extra profit for BAe. Again such prices could not be charged if the PM had not been bribed.

In return for the acceptance of a large British arms package including 6 nuclear-hardened Tornado atomic bombers and 2 Tornado spy-aircraft plus submarines, 155mm guns, a C-cube battle-field command system,Mrs. T.agreed to ensure that the next Commonwealth Conference would be held in Malaysia apart from agreeing to pay the above front payment and commissions.

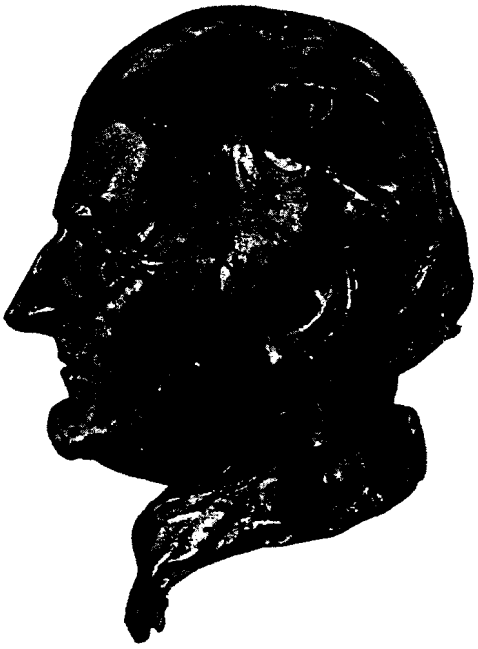
What all this shows is by the UK Treasury's own guidelines a wholesale interference by HMG in the proper affairs of three countries by corrupting their decision makers into deals for equipment that each country does not only NOT require but whose Air Forces in each case had previously declined this equipment on technical, performance and price reasons.

The additional financial benefits to Mark T. and his friends as Wafiq Said and other middlemen, all non-tax-paying residents of the Uk and to the Conservative Party are absolutely enormous, according to the BAe executive.

In summary, statements by Government officials and others to the National Audit Office that they have no knowledge of these huge commission payments (either already made or intended) to the Leaders of the three governments mentioned above are simply lies and should be tested by requiring sworn affidavits.

In the first of a regular series on interesting people and organisations, MIKE HUGHES traces the career of

BLINKER HALL: GODFATHER OF THE SECRET STATE?



Profile

In an age when a modest contribution to the public affairs is an excuse for substantial memoirs or a scholarly biography it is extraordinary that a man like Admiral William Reginald Hall should have neither.

But Hall is not unknown. His name will be familiar to anyone who is interested in naval history, the history of the Conservative Party and the development of cryptanalysis and the British Intelligence services. References to him are to be found in all the standard reference books on these subjects and there are a handful of books dedicated to the activities of Naval Intelligence during the First World War, which was under his command. The only biography to trace his whole career was *The Eyes of the Navy*. A sketchy and adulatory volume written in 1955 by Admiral William James who had served under him before and during the Great War, *The Eyes of the Navy* does not do Hall's remarkable career any justice.

Hall was a maverick, dynamic and ruthless Director of Naval Intelligence, who could be said to have single handedly changed the course of the First World War, American and Irish History. In 1918 he left Naval Intelligence to enter Parliament, where he immediately became one of the most vociferous of the Tory 'Diehards' railing against the coalition goverment which though made up mostly of Conservative MPs was led by the Liberal Lloyd George. He was the only one of these Diehards to be given any real degree of power by Bonar Law, when he became in 1924 the first serving MP to be the Conservative's National Party Agent, reponsible for all the day to administration of the Party. Though retired from the service he never broke his links with The British Intelligence services. From the moment Hall entered parliament, he began organising a clandestine network of 'private' intelligence and propaganda groups working in parallel to the official (and to his mind timid) state-run ones.

Hall was by all accounts a larger-than-life, truly Dickensian, figure whose features were accentuated by a facial twitch, or in some accounts a habit of screwing his eyes up, which earned him the nickname 'Blinker'. But to friends, such as Peter Wright's father, he was generally known as Reggie. During his short but distinguished sea going career, he earned a considerable reputation as a firm-but-fair captain, a fine trainer of gun crews and something of an innovator, had been cut short by ill health just as war was breaking out in 1914. In order to keep him in the service, and it was suggested after some intensive lobbying by his wife, the Admiralty appointed him Director of Naval Intelligence. It was a post held in the past by his father. Although Hall's appointment as DNI was accidental, it was for the Admiralty a fortuitous one.

Walter Page (the American Ambassador to Britain during the Great War) had been particularly impressed by Hall's abilities as an Intelligence chief, and described him as 'a clear case of genius .... All other secret service men are amateurs by comparison". Patrick Beesly, the naval historian who himself knew Hall, paints a vivid picture of a 'maverick' who was 'not typical of the naval officers of his generation': 'He was fascinated by "The Great Game", the world of spies, agents, deception, bribery, disinformation, destabilisation, all that side of Intelligence now stigmatised as the "Dirty Tricks" department'.

The Great War saw dramatic changes and expansion in the British Intelligence services. The two armed services ran their own intelligence departments to provide military and naval commanders with intelligence, while three other intelligence services covered the political, civilian and diplomatic fields. MI5, then under the leadership of Vernon Kell, was responsible for domestic intelligence operations in Britain and on British territory. However because MI5 had no official status and thus no legal powers of search or arrest MI5 shared its responsibility for domestic intelligence with the police force's 'Special Branch', then under Basil Thomson. Finally the Secret Intelligence Service (SIS) then under Admiral Sir Hugh 'Quex' Sinclair, was responsible for foreign intelligence.

Hall's main responsibility as DNI should have been to provide the Admiralty with the intelligence it needed to wage war against the German navy. But under his leadership Naval Intelligence became the most dominant of the all British Intelligence Services operating during the Great War. Partly the result of its good fortune in acquiring the German Naval codes within twelve weeks of the outbreak of war. But Hall supported and encouraged the development of the technology needed to intercept the Germans radio messages that were subsequently decoded, he created the organisation capable of handling and adminster the information that was being collected, and crucially he relentlessly pursued any interesting intelligence that passed through the code breakers in "Room 40" at the Admiralty - regardless of its particular interest to the Navy. And regardless of its political and diplomatic consequences.

Patrick Beesley's book *Room 40*, provides us with the most detailed published account of the Hall's management of the activities of Naval Intelligence's code breakers during the Great War. He suggests that they were largely responsible for the Navy's successes in the battles of Dogger Bank and Jutland, and the British mastery over the U Boats. But Beesley also claims, with justification, that they were also responsible for the quick defeat of the Easter Rebellion

in Ireland, and for dragging the unwilling Americans into the War in April 1917. Hall played a central part in the arrest and execution of Sir Roger Casement and was later rewarded with his knighthood for his

The Arrest and Trial of Sir Roger Casement

Naval Intelligence had obtained the information which led to Casement's arrest, and the inevitable failure of the probably already doomed Easter Rising in Dublin in 1916. This information mostly came from intercepted wireless messages, although Hall had also organised an undercover mission in which British seamen masquerading as American tourists sailed around the coast of Ireland in a prestigious yacht call the 'Sayonara' looking for information about German support for Irish nationalists. Hall and the head of Special Branch, Basil Thomson, then interrogated Casement.

When Casement was convicted for treason it looked like a powerful campaign, led by Sir Arthur Conan Doyle, might be successful in saving Casement from the executioner. Hall however leaked to the press details from an, almost certainly faked, homosexual diary. The campaign fell apart and Casement was executed.

Recruiting the Americans

Walter Page, the American Ambassador, was a committed anglophile and relied on Hall's unauthorised help to win his battle to draw his country into the War. A coded telegram from Zimmerman, German Foreign Minister, to Washington which was sent on January 16th 1917. It seemed to propose unrestricted submarine warfare and was intercepted by Hall's department. Hall passed it to Page even before it had been fully decoded. The implication was clear - it would make neutral American merchant shipping a target for U Boats and suggested that attempts should be made immediately to secure an German alliance with Mexico in the event of the United States entering the War on the side of Britain.

The Lusitania

The Zimmerman Telegram was critical in bringing the USA into the War. The way had been paved by the Germans' sinking of the transatlantic liner the Lusitania in May 1915, with the loss of 1,201 passengers and crew. Widely portrayed as an atrocity, Colin Simpson's famous investigation of it sinking (*Lusitania*, Longman 1972) suggested that not only was it, unknown to its passengers, serving a military purpose - and thus a legitimate target but that it may even have been a 'pawn in a cynical political strategem'. If that was the case then Hall was seriously implicated.

Interestingly, Simpson also reveals that Hall had instigated 'an entirely unofficial censorship of the [transatlantic] mail which he had induced the Post Office to set up shortly after his appointment'.

The press, for obvious reasons, milked the sinking of the Lusitania for all it was worth. The anti-German furore that followed was exacerbated by an entirely fraudulently news story that the Germans had struck a commemorative medal to celebrate its sinking. Forty four medals had indeed been designed and struck, by one K Goetz of Munich, but these had been intended as a satirical comment on the claim (true as it happens) that the Lusitania was carrying armaments. However Foreign Office records indicate that 300,000 had been struck by Gordon Selfridge (owner of the department store) on the instructions of Admiral Hall. These had been distributed world wide in order to 'whip up distaste for Germany. Years later it was these Foreign Office records which enabled Simpson to begin to build up the first accurate account of the background to the Lusitania's sinking.

Hall and the Press

Hall pioneered the concerted use and manipulation of the media as an intelligence service weapon. Throughout the War, according to William James, he held weekly press conferences. But release of news was predominantly the responsibility of the chief censor at the Admiralty, Rear Admiral Sir Douglas Brownrigg. When the centre of naval attention shifted to the U Boat war in the Atlantic, Brownrigg more or less blocked any news getting out to the papers. The Newspaper Proprietors Association applied growing pressure on the Admiralty. In the end a conference was called of press representatives and Brownrigg and Hall representing the Admiralty. The result, 'in no small measure due to Hall', was that Press representatives were appointed to Grand Fleet and 'press panels' established at various bases to provide the press with 'background stories about the work of the Navy'. According to James, 'though he had some serious disagreements with press barons, he was always on excellent terms with editors and journalists, who appreciated his forthrightness and evident desire to help them as much as he could'. This picture of a man at ease with the press is reinforced in one former pressman's memoirs.

Valentine Williams, in *The World of Action* (Hamish Hamilton, 1938) recalls: 'In the early days of the World War I had some fugitive contacts with that dramatic figure, Admiral Sir Reginald Hall .... under whose Machiavellian direction the most vital secrets of the enemy were pitilessly laid bare'. His was an 'incomparable blend of bluff and cunning, summed up in a saying that he liked to quote as the motto of the secret service: "Wisdom is better than the weapons of war".'

Admiral Hall Goes to Westminster

The Zimmerman telegram earned Hall his knighthood, but not a place at the peace conference in Versailles. So at the end of the war, and 48 years old, he sought permission from the Admiralty to stand as a Unionist candidate in the 1918 General Election. This was not a unique request at the time, and it would have been unusual to have been rejected. However the Admiralty considered - and rejected - the unprecedented possibility of allowing Hall to continue as DNI while sitting in Parliament.

Although he therefore retired from the service when he entered Parliament, he continued to be well known and respected in the intelligence community. In 1924 he was implicated in the 'Zinoviev Letter' affair, in which information from MI5 was leaked to the press in an attempt to discredit Ramsay MacDonald, the first Labour Prime Minister. A few years later, in 1927, he was involved in the discovery of a Russian spy named Wilfred McCartney which led to the severing of diplomatic relations with the Soviet Union. Much later, in 1939, when he was 69, he was recalled to advise on the reorganisation of Naval Intelligence for the Second World War.

When he entered Parliament in 1919 it became clear that he was no ordinary, novice backbencher. Soon he was able to bring together some the country's most powerful industrialists for a secret meeting in the Westminster HQ of the National Publicity Agency, the brewery trade's main lobbying body. The origins of this meeting are perhaps to be found in scheme he hatched up in conjunction with Basil Thomson before he had left Naval Intelligence. Both men were aware that, with War ended, the government would be seeking to reduce and rationalise the intelligence services and so they proposed the creation of a single centralised domestic intelligence service, immune from government interference.

Their idea was to combine the functions of MI5, Special Branch and the various 'labour unrest' intelligence departments that had been operated by many of the wartime ministries. But this apparently reasonable suggestion was only part of grander, and more dubious scheme. If their plan had gone ahead Thomson would have headed the new department, and MI5 would have been disbanded. Vernon Kell, the head of MI5 whom Hall had described as 'short sighted and timorous', would have been pensioned off. But this scheme was more

than just an early example of inter-service rivalry in the intelligence community.

Both Hall and Thomson were profoundly worried by the growth of the Labour Party and the increasing activity of the trade unions. They realised that the intelligence services would be vulnerable to control by the Labour Party if, as a result of the extension of the franchise, it was to obtain a parliamentary majority and form a government. So with the help his assistant Claud Serocold, a former financier he had recruited from the City, Hall devised a plan in which this new domestic secret service would be funded by a secret payment by the government of £1 million. This would have been used to create a fund, managed by trustees, to provide a steady and reliable income, protecting the service from any possible Labour government.

It is easy to see now that what the two men were proposing was a peacetime political police force. In Cabinet, Hall and Thompson had the enthusiastic support of Walter Long, Secretary of State for the Colonies and a confirmed 'Diehard'. Fortunately, perhaps aware of the potential of the monster they would have been unleashing, the Cabinet as a whole did not fall for the scheme. Instead they adopted what was in the end an incoherent and watered down version.

The Directorate of Intelligence

A new department with responsibility for domestic intelligence, the Directorate of Intelligence, was established at the Home office. On May Day 1919 Basil Thomson became its chief, while at the same time retaining control of Special Branch. But MI5 was not disbanded, only slimmed down, and it remained under the control of Vernon Kell until 1940. No section of the intelligence community was to be given absolute financial and political independence from government.

Thomson's Directorate of Intelligence was short lived. A series of intelligence fiascoes and problems led the Cabinet to appoint, in 1921, a committee of senior civil servants to examine 'Secret Service Expenditure'. Their report was fiercely critical of the Directorate of Intelligence and the Metropolitan Police Commissioner, General Horwood, twisted the knife by calling the independence of Special Branch 'a standing menace to the good discipline of the force'. Horwood was also critical of the quality of the intelligence being provided by the Directorate: 'As to its information regarding labour matters at home, I have recently called the attention of the Secretary of State to misleading and inaccurate reports by the Directorate of Intelligence to the cabinet in regard to meetings of the unemployed in London itself.'

'Fallen by the Way'

The rejected of West Leyton (regarding the fortunate victor of West Derby Election, March 1919): 'Ah! There—but for Old Age Pensions and one or two other trifles—goes poor old James Mason!!'

J. F. Mason and Admiral Sir Reginald Hall

Cartoon by E. T. Reed

Lloyd George backed Horwood's insistence that Special Branch be brought back under the control of the Metropolitan Police. When Basil Thomson refused to co-operate, Lloyd George summarily dismissed him, without consulting his coalition cabinet colleagues. Hall was convinced that Lloyd George had traded Thomson for Labour Party support for his Irish policy and in a Parliamentary debate on the issue, on 3 November 1921, he forced a vote in which forty two other Diehards voted against the Tory dominated coalition.

That the establishment of the Directorate of Intelligence had not given the domestic intelligence service a cast iron defence against the Labour Party had, for Hall, been underlined by Thomson's dismissal. But Hall had not waited for proof that his suspicions were correct. His retirement as DNI, and the government's refusal to adopt his scheme had left him free to develop the idea himself. But money that would have originally been raised through a secret war loan would now have to be obtained from private sources and the meeting in Dean's Yard, which created an organisation called National Propaganda, was the first stage in creating this scheme. National eventually became known as the Economic League.

The Economic League

Also at the meeting was Major Richard C. Kelly (director of the National Publicity Agency), the right wing Conservative MP John Gretton (Chairman of the Bass Brewery and member for the brewing town of Burton in Staffordshire), Evan Williams (president of the pit owners' Mining

Association), Cuthbert Laws (of the Shipowners' association), Arthur Balfour (later Lord Riverdale and the leading Sheffield steel manufacturer) and Sir Allan Smith (director of the Engineering Employers Federation).

The only published account of that first Dean's Yard meeting is the Economic League's own pamphlet *Fifty Fighting Years*, published fifty years after the event. According to this, the Dean's Yard meeting had decided: 'to raise sufficient funds to set up an organisation to counter subversion in industry during the critical period of postwar re adjustment'.

This organisation had at first consisted of 'a number of groups in industrial areas... known as Economic Study Clubs, each with a small staff of speakers and lecturers to hold meetings and distribute leaflets at factory gates, pit heads and on docksides'. These Economic Study Clubs were 'co-ordinated from an office in London, this task falling mainly to Admiral Hall and R.C. Kelly'.

Under Hall's leadership National Propaganda co-ordinated, created and absorbed growing number of organisations often treated by historians as independent of one another - the British Empire Union, British Commonwealth Union, National Citizens Union, National Alliance of Employers and Employed, Industrial League and Council, Industrial Welfare Society, Christian Counter Communist Crusade and the Children's Faith Crusade. In 1924, National Propaganda changed its name to 'The Central Council of the Economic Leagues' and this name was finally shortened to 'The Economic League'.

By 1924 any initial notion that the League would be a temporary measure had been relinquished. But Hall had ceased to have any official position within the League. This was not because he had any serious disagreement but because he had been appointed by Bonar Law to take control of the Conservative Party's organisation, as National Party Agent. Without knowledge of his success in establishing an influential national and active political organisation, his appointment by Bonar Law would seem odd. He was hardly a loyal Party member, for he had forced divisions and spoken against the government more than once. Nor was he a serious threat to the government which needed to bought off. He had a loyal, but very small following in Parliament and though he had a growing support amongst the Party rank and file it was certainly not sufficiently strong to enable him seriously challenge the leadership even had he wanted to.

The appointment should have been an inspired one. Hall had demonstrated a genius for organisation and administration since he had first taken command of the Queen Mary in 1914, and he had introduced the three watch system for the first time and abolished the ships police force, introduced a chapel, a library and a cinema. This time however his genius failed him, perhaps because for once he was unable to make the rules up for himself. Even his most admiring supporters felt that his period as National Party Agent was a disaster. He was held responsible by many in the Party for the election defeat of 1923, which led to the first Labour government, and to make matters worse he even lost his own safe seat where he had been defending a 10,000 majority. When Baldwin, who had succeeded Law, sacked him he didn't even bother to tell him to his face.

But Ramsay MacDonald's first government was short lived and unspectacular. Although no longer Party Agent, Hall was to play a key role in the dirty election campaign which followed, as well as successfully contesting the Eastbourne seat.

On October 25th 1924 the *Daily Mail* and *The Times* printed in full a letter alleged to have been sent by Gregori Zinoviev, president of the Comintern, to the Communist Party of Great Britain, on September 15th. The letter urged the CPGB to make preparations, 'in the event of danger of war.... to paralyse all the military preparations of the bourgeois'.

The letter had originally been passed to MI5 by Donald Thurn, a former agent. The foreign office, MI5 and Special Branch all vouched for its authenticity and it was passed to Ramsay MacDonald who accepted their judgment. Zinoviev's instructions in the letter merely confirmed the intelligence services' understanding of the Comintern's ideas, and although it was useful intelligence it was by no means clear that it required any public response from the prime minister or government. Before Macdonald could make a final decision about the text of the official response to the letter, the letter was leaked by MI5 to Conservative Central Office and also to Reggie Hall and thence to the two newspapers with the implication that MacDonald had been trying to suppress it. It was Hall who almost certainly leaked one of the two copies of the letter received by his friend Thomas Marlowe, editor of the *Daily Mail*. There are two intriguing twists to the story of the Zinoviev Letter. The first is that it was a forgery. However, there is no evidence to suggest that, at the time, any of those involved in leaking the letter, or authenticating it, or drafting the government's response to it believed it to be less than genuine.

The second twist is that although Labour Party was the overt target of the leak it was the Liberal Party which was decimated by it. In the election the Liberals lost 117 of their 156 seats, the Labour Party just 40 of their 191 seats, and actually increased the number of votes cast for them. Whatever Hall's intention, the leaking of the Zinoviev letter had once again polarised British political life and effectively secured the Labour Party's position as the second party for the rest of the century.

Hall and the General Strike

Both Hall and his long time political ally John Gretton played prominent roles in the strike. Gretton was for a time Treasurer of the main strike breaking group 'The Organisation for the Maintenance of Supplies' and Hall was the general manager of the Government's strike breaking paper the *British Gazette* produced on the *Morning Post* press and edited by Winston Churchill. An intriguing reference in Christopher Farman's book *The General Strike, Britain's aborted revolution*, suggests Hall had another role. Farman notes correspondence between J C C Davidson and Hall (who he mistakenly refers to as the Conservative's Principal Agent, a post from which Hall had been dismissed in 1924) concerning the possibility of recruiting the dockers' leader Ben Tillett: '(Tillet is) absolutely broke; is going to fight communism in the winter, and evidently wants financial help. The Prime Minister wondered whether you thought it might be worthwhile sending for Tillet. There is just a chance he might do business.'

The Arcos Raid

The All Russian Co-operative Society (ARCOS) was the Soviet Trade Delegation, and thus the focus for a considerable amount of attention by militant anti-communists and anti-socialists. After the General Strike, Sir William Joyston Hix, the diehard Home Secretary, as part of his own obsessive desire to show that the Strike had been a Soviet plot, claimed that ARCOS had made large payments to the British Cooperative Wholesale Society and that this had been immediately passed on to trades unions. Four days later he was forced to withdraw the allegation. It was in May 1928, however, that Joyston-Hicks ordered the raid on ARCOS, in intriguing circumstances. It was a controversial move intended as a trawl for evidence to justify breaking off diplomatic relations with the Soviets.

In March 1927, a somewhat bohemian Lloyds underwriter named George Monkland had been approached by a former intelligence officer called Wilfred Macartney who had become a Communist some two years earlier. He asked Monkland to supply him with information, from Lloyds, on shipments of armaments to the USSR's neighbours. This at first he seemed

to do to Macartney's satisfaction and as a result of which he was promised £50 a month for his services. On 11 March, however, Monkland went to see Blinker Hall, who immediately contacted Kell. Monkland was run as a double agent until November when Macartney and his Soviet control, Georg Hansen, were arrested.

Even so, the evidence Joyston-Hicks had so far obtained by this operation was not, according to the Cabinet, sufficient to initiate a breach with the Soviets. His chance came when he received information from an ARCOS employee, possibly an infiltrator from undercover group on the fringes of the Economic League, that the trade delegation had obtained a copy of the Army's signals training manual. The raid lasted three days and it took Special Branch officers a further three days to sort the papers they had seized. They found nothing of any significance; nevertheless, with the help of some earlier intercepted Soviet telegrams, Joyston-Hicks and the government pressed on and broke diplomatic relations at the end of May after an uproarious commons debate. According to Christopher Andrew, the Arcos Raid was a disaster for British Intelligence. The raid itself had produced insufficient evidence to justify either the raid or the severing of diplomatic relations. To justify both, the government had to compromise its interception and cryptanalysis of Soviet telegrams, thus prompting the Soviets to tighten up their security and effectively end this source of information until the Second World War.

Life after Parliament

Most accounts of Hall's career peter out after he left Parliament in 1929. Although he didn't die until October 1943, there are few references to his activities in the 1930's. William James' biography of him presents a picture of a retired Admiral, not in the best of health, dining in his club, travelling to the sun in the winter but in general decline after the death of his wife in December 1932.

Peter Wright's father was one of those who had worked for Hall while on defence work for Marconi. Indeed it was Hall that persuaded the young Wright to join the navy. William Stephenson, who later during the Second World War became known as 'Intrepid' and ran British Security Co-ordination and clandestine intelligence operations in the USA, also worked for this network. Stephenson had been a protege of Hall's since, as young air force pilot he was spotted and recruited by him to work in intelligence in the First World War. In the late twenties or early thirties Hall was Churchill's personal head of intelligence.

Immediately before the outbreak of the Second World War, Hall was called in to advise Dennison on the reorganisation of Naval Intelligence. In this he was certainly influential in establishing the early success of Bletchley Park, the code breaking forerunner of GCHQ which intercepted and broke Nazi "ENIGMA" codes. Hall died in October 1942.

The Godfather of the Secret State?

The secret and completely unaccountable intelligence network created and maintained by Hall throughout the inter-War period was the infant 'secret state'. It established the techniques, methods and ground rules, such as they were, for the post-war covert and unofficial actions of British Intelligence.

Although the elements of the secret state had been around for centuries it was only after the First World War that they began to be systematically co-ordinated. With the extension of the franchise at the end of the First World War, a socialist government became a real possibility, and with it the possibility of the machinery of state falling into unsympathetic hands. There was widespread concern in Conservative circles that in such hands the police, army and intelligence services could be destroyed, decimated or replaced by more sympathetic organisations. If the state could not be protected against democracy, Hall and his friends reasoned, then provisions had to be made for parallel organisations that could be isolated from government.

This was the origin of the 'Secret State' in its broadest sense, the idea not only the state operating in secret, but of an unofficial secret state operating covertly alongside the official and overt one; and the man who did anyone else to establish and nurture it was Admiral Reginald Hall.

Further Reading:-

Early life and biography:

Admiral William James
The Sky was always Blue
Eyes of the Navy

Intelligence:

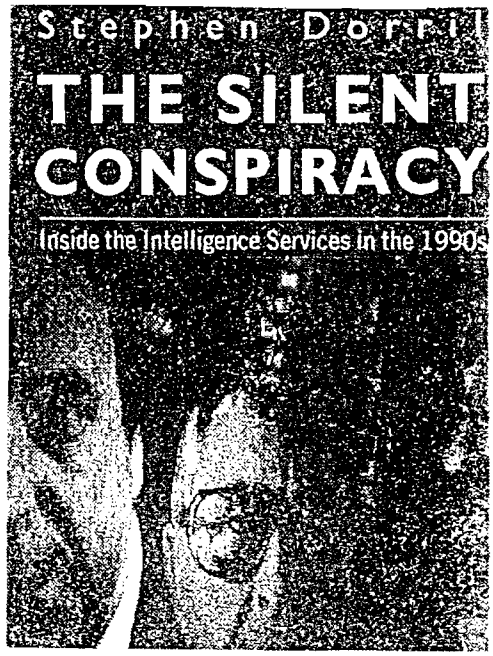
Philip Beesly
Room 40

Christopher Andrew
Secret Sevice

William Stevenson
A Man Called Intrepid

Politics:

Maurice Cowling
The Impact of Labour



The author has skilfully brought together the strands of a truly Orwellian conspiracy, making it frightening reading for anyone who wants to know how these unaccountable agencies work and what purpose they serve . .
- James Rusbridger

Fascinating and engrossing study
- NSS

An entertaining account . . .
- Christopher Andrew

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Mike Hughes
T Jacob Gluckman
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Book reviews

A Violent Peace: Global Security After the Cold War,
Paul Rogers and Malcolm Dando
Brassey's, London, 1992

Here is an articulate and persuasive liberal internationalist analysis of the likely development of armed diplomacy following the cessation of the cold war, from the Professor of Conflict Analysis and a Senior Lecturer in Peace studies at Bradford University. This liberal blueprint for the New World Order, to quote the book jacket, 'includes not only traditional security issues such as arms control, but also the wider issues of poverty, the destruction of the environment and the North-South axis of conflict.'

It is a sign of the range and depth of the debate within western millitary strategy to find *A Violent Peace* published by the publishers of the Royal United Services Institute & Brassey's Defence Year book. It has a distinctly Left Book Club feel, and I mean this in the most complimentary way possible since it is committed, readable and a presents a coherent argument well supported by evidence and research. Unfortunately, and for no fault of the authors, it has the same instantly dated feel, for the world is changing as rapidly now as it did in the latter half od the 1930's. The scenario the present is one that will unfold over time, but since the book was written the events in Bosnia and the reactions of Nato, the USA, Britain, Germany, Russia, the UN and EEC have had a dramatic impact on the West's 'New World Order'. There can be no doubt, however, that Rogers and Dando would have written differently nine months later. A violent peace tackles in a tightly argued way the problems raised in creating the 'New World Order'. Unfortunately because it predates the conflagration of the Bosnian crisis it inevitably plays down, though does not totally ignore, the scale of the problems arising from reconstructing Europe and Asia following the collapse of the Soviet Bloc. It does however illustrate it thesis with a tremendously, and chillingly, clear description of the Gulf War.

The Gulf War will be seen as perhaps the most significant stage in the genesis of a new order. The grim statistics from the Gulf, relentlesly churned out by Rogers and Dando, invite comparisons with the conflict in Bosnia:

* More than 100,000 dead Iraqis, of which some 10,000 were probably civilians.
* 300,000 Iraqis injured
* 10,000 kurdish refugees, mostly children, dead in the mountains
* Coalition military casualties of 250, and 100 of these in accidents
* 88,500 tons of bombs dropped on Iraq or occupied Kuwait - of which just 6,520 tons were precision guided. 1 in 10 of the precision guided bombs missed their target and 7 out of ten conventional weapons missed their targets.
* Britain and the USA launched 12,500 rocket seach delivering more than 600 'submunitions' over an area of 60 acres.
* Napalm was dropped on Iraqi troops and the US also used the 15,000 lb BLU-82/b slurry bomb which 'contains the specialised explosive DBA-22M, composing amonium nitrate, powdered aluminium and a polystyrene soap binding agent in an aqueous solution and can produce blast pressures of up to 1000 psi, exceeded in force only by nuclear weapons'.

Of course the New World Order, inaugurated by Desert Storm, was a fraud. It was fraud that could not have been committed without manipulation of the media in the most deliberate and detailed way. Had people realised that 100,000 people were being slaughtered and 300,000 injured in the name of peace, on behalf of the whole international community, the outrage would have been overwhelming. Who knows what the international popular reaction would have been if, instead of perpetrating the myth of a surgical war fought mainly against real estate, the daily briefings had been open and honest about the use of indiscriminate cluster weapons. The New World Order cannot tackle the problems in Yugoslavia, Cambodia or anywhere else in the same brutal way and get away with it, either in terms of propaganda or allied casualties. The Gulf War was in the end a military tour de force, political and diplomatic disaster, and a human catastrophe. Its effect on the the New World Order was far reaching, if as yet incalculable. Reading *A Violent Peace* helped to bring this home. That the politicians in the Northern alliance inherently comprehend the nature of the Desert Storm disaster is in some ways implicit in their vacilation and ambivalence about military intervention in Bosnia and their dramatic conversion to a belief in the effectiveness of sanctions.

There is already an updated sequel to *A Violent Peace*, crying out to be written, which takes into account the impact on the Northern alliance of Europe's post cold war attempts to redefine itself. I hope Rogers and Dando are writing it.

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Enemies of the State
Gary Murray
Simon & Schuster, London, 1993

Gary Murray is one of the more intriguing of the secret state's recent whistle blowers. Although not a paid up member of any of the secret services he was a private investigator who worked for, or with, them directly or indirectly on a number of occassions. The stress of his work with MI5 led him to withdraw his services in February 1982. He had however dilligently tape recorded his meetings with his MI5 handlers, and following his 'resignation' had found himself rereading his old reports and listening to the tapes. In his own words 'it dawned on me that I was angry at the

conduct of my former masters, illicit and contrary to the true public interest as it was'.
His response to his feeling that 'somehow it had to be stopped' was a unique one - he 'decided that my detective agency would join forces with the serious Press to examine past and present information about the illegal activities of the security and intelligence services'. Eventually his press work was to lead to a close working relationship with Duncan Campbell on the 'Secret Society' programmes. However at first his work with the 'serious press' was combined with 'routine detective agency work', a plausibly deniable operation on behalf of MI6 and a growing involvement with the Institute of Private Investigators. His work with and contacts within the IPI resulted in him becoming a key witness and investigator of the case of Hilda Murrell, the murdered anti nuclear campaigner, and *Enemies of the State* provides a neat summary of already known information and some new evidence in the case.

The tapestry of outrageous stories that Gary Murray relates in his book are used to support his, hardly original, thesis that an 'effective means of control' over the 'domestic' activities of our self appointed guardians and their freelancers, there is a genuine risk that is they who will continue to to be the real enemies of the state.

It is in many ways a frustrating book, part biography, part eminently readable but poorly referenced literature review. Sections such as the conspiracy to murder *Searchlight* editor Gerry Gable, have been so savaged by the lawyers as to be unitelligible to anyone who doesn't have access to back copies of *Searchlight* or the *Guardian* to work out who on earth he is talking about. At other times he shows an infuriating coyness about his subject which I am sure is not soley the creation of the timid libel lawyers. As for the very important issue about the 'serious press' using a private intelligence agency do its its investigative journalism for it - it is simply not tackled at all.

But while far from original its thesis is always worth restating. And although parts of the book are far better than the whole, some of those parts are very valuable - particularly his quite defensive, first hand description of operations against trade unionists before he saw the error of his ways. Despite its frustrations this is, as its accompanying press release points out, a timely book with the Government's 'latest ideological obsession with handing over police responsibilities to provate security firms'. MH

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A Game of Moles: The Deception of an MI6 Officer
Desmond Bristow,
Little Brown and Company, 1993

The publishers decided to release this book without any publicity and it was only by chance that I spotted a copy in WH Smith. I have yet to see a review of the book, which technically does break the new Official Secrets Act, and the life-long confidentiality agreement of former MI6 officers. The service and the government have been embarrassed by its appearance but have done nothing to stop its publication. Indeed, there would now appear to be little to stop other retired officers from publishing their memoirs.

In an unsensational but jolly autobiography, Bristow recalls how, in the period between the end of the Second World War and the beginning of the Cold War, intelligence officers spent their time and espionage expertise in the serious pursuit of establishing which pubs had recently been supplied with its ration of beer. Following the end of the Cold War, their modern counterparts have had little time to relax with such pastimes. Instead, they have been busy restructuring the service's role, in an attempt to justify its existence.

Bristow's account of service life is well-worth reading if only because he concludes that it was all a waste of time.

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British Intelligence, Strategy and the Cold War, 1945-51
Ed, Richard Aldrich
Routledge, London, 1992

It is remarkable what you can produce when you have the safety of an academic post, access to researchers and the possibility of grants from foundations to fund your interests. There is a tremendous amount of material now coming out about the years of the Labour governments, 1945-51, and their relationship to the security services and defence. Unfortunately, most is incredibly dry, as it is bound to be, as academics refuse to take account of anything that isn't in a government document. However, they are a good source for further sleuthing.

This is a worthy, expensive (£35.00) tome that includes some fascinating materials which has been diligently dug out of the archives. Aldrich, who is incredibly prolific, is correct to point out that a lot more material is available in the public domain than is generally realised. The most interesting chapters are probably Aldrich's own on secret intelligence during the immediate post-war period and W Scott Lucas and C J Morris' account of IRD which adds much to an ever growing body of material on that important propaganda outfit.

Unfortunately, Sheila Kerr, in a poor chapter on the propaganda battle over the British defectors, Burgess, Maclean and Philby, (a good idea, it's just that she doesn't know enough) contains what looks like a libellous statement about *Lobster*. In reference to KGB disinformation which was planted and accepted by Western media outlets, she includes a note on an *Independent* article (16.4.90) which profiled *Lobster*. She suggests erroneously that this provided 'a good insight into conspiracy networks in Britain'. Well, there is no conspiracy network and if anyone can find any Soviet disinformation in *Lobster*, I will be the first to be intrigued. This was an interesting glimpse of what Kerr appears to believe, seemingly lost when she has no document in front of her. SD

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Das RAF Phantom
Gerhard Wisnewski, Wolfgang Landgraeber and Ekkehard Sieker
Knaur, Munich, 1992

The book argues, rather convincingly, that the so-called 'third Generation ' of RAF guerrillas - that is, those supposedly active in the period 1982-1992, - are non-existent, and that the state in Germany has used them as a pretext for obtaining extra powers and tougher legislation. As a group, the third generation RAF have never proved to exist; the communiques that have been issued after each of their alleged attacks are worthless as evidence.

The authors, all experienced journalists, place the guerrillas rather in the tradition of phony groups such as the '17th November' in Greece, of, in my opinion, the Symbionese Liberation Army (USA 1973-74).

Reading between the lines, they blame the CIA for the assassination of the leading banker, Herrhausen (Chair of the Board of Deutsche Bank). It is well-known that Herrhausen had many enemies in leading USA banking circles, because of his advocacy of releasing third world countries from their debt burdens.

As an intermediate group, the spotlight is put on the *Atlantik Brüke*, a shadowy organisation made up of leading politicians, media moguls, industry captains from both Germany and the USA, and Manfred Wörner, secretary of NATO, etc. No fewer than three leading members of this group, on the German side, were 'RAF victims'. This group, according to the *Frankfurter Allgemeine Zeitung (FAZ)*, is an elite group that participates in decision-making in Germany, without being subject to public scrutiny.

The book deals with many aspects of the crimes alleged to have been carried out by the RAF. These range from the impossibility of the bombing technique supposedly used for the murder of Herrhausen; the retrograde impact of said crimes in broad-based movement, eg the demos against the Treuhand - which collapsed after the murder of the Treuhand Chair, Detlev Rohwedder in April 1991; the political and banking background of W Germany in the 1980s, and many other points. TJG

Unfortunately, Robin Ramsay has not allowed me access to back copies of Lobster, *even when it included a request from the leader of the National Union of Mineworkers, Arthur Scargill. Fortunately, a kind subscriber sent me extra copies to fulfil this particular request; such are the stupidities of the current situation.*

Despite this setback, I will supply photocopies of all back issues. The first eight issues were produced in A5 format. These were the naive beginnings of Lobster *and some of the material no longer stands up; we have moved on from then. However, there are good articles and a mass of interesting snippets which I had largely forgotten about.*

Issues 1 to 10 cost £1.25 each (UK); £2.00 (USA/Canada/Australasia and Europe)

11 to 25 (except 19, which is double the price) are £2.25 each (UK); £3.00 (US/ Canada/Australasia and Europe)

Who's Who is £5.50 (UK); £7.00 (US/ Canada/Australasia and Europe)

The prices include postage.

NB outside the UK - please send either International Money Orders, cheques drawn on UK banks (made out to S Dorril) or cash, I will accept US dollars. Foreign cheques will be returned as they cost too much to convert into sterling

Subscriptions

1 Kincoragate ; Spooks Digest; The Round Table and Quigley;, 16 pages, 1983.

2 Special on the JFK assassination; Dorril on Maria Novotny; Permindex; Ramsay - An alternative hypothesis; Epstein's 'Legend'. 34 pages, 1983.

3 More Kincora; Police and computers; American Friends;, the anti-CND groups; clippings digest and reviews. 32 pages, 1984.

4 Even more Kincora; Shooting the Pope; The British in Vietnam; more on the anti-CND groups; the CIA and Mountbatten; Intelligence and clippings digest; Bank Havens. 28 pages, 1984.

5 Jonathan Marshall on Secret Societies, part 1; Ian MacGregor and Lazards, part 1; The SAS; Intelligence and clippings digest. 36 pages, 1984.

6 Secret Societies and MacGregor, part 2; Oswald in Mexico; The Round Table; Reading Italy; Who's Afraid of the KGB. 36 pages, 1984.

7 Conversation with Peter Dale Scott; Gregory Korkala's address book; JFK assassination; Intelligence and clippings digest. 36 pages, 1985.

8 Conspiracy Theories; Airey Neave assassination; Korkala; Pinay Circle. 40 pages, 1985.

9 Who's Who of British Spooks, part 1; KAL 007; Watergate revisited - Jim Hougan's *Secret Agenda* reviewed; Trying to kill Nasser; Falklands conspiracy theories; Jonathan Bloch on the overseas repression business. 24 pages, 1985.
(NB Personnel listed in the Who's Who and in No 10 are included in the Special Issue, *Who's Who of the British Secret State*, listed below.)

10 Spooks Who's Who, part 2; Kitson, Kincora and counter-insurgency; ANthony Summers and 'Maurice Bishop'; Jim Hougan on Frank Terpil and 'Deep Throat'; statement from Fred Holroyd on Northern Ireland 'dirty tricks' and Colin Wallace. 24 pages, early 1986.

11 *Wilson, MI5 and the Rise of Thatcher* - the start of the 'Wilson plots' story; the first attempt to understand and explain what Colin Wallace was saying. 56 pages, published April 1986 - before Peter Wright came on the scene.

12 Peter Dale Scott on Transnational Repression - the major, previously unpublished essay by this American master; Notes on the British Right. 42 pages, 1986.

13 The Rhodes-Milner Group (Round Table); Two Sides of Ireland; Colin Wallace's 1974 notes on MI5's plots to smear British politicians; more jottings on the British Right. 24 pages, 1987.

14 US involvement in the Fiji coup; Colin Wallace update - and the Ulster Citizens' Army smear decoded; Irangate - the 'October Surprise'; Martin Walker on 'policing the future. 46 pages, 1987.

15 Inside *Inside Intelligence* - Steve Dorril on Anthony Cavendish; *The Independent*'s smearing of Wallace and Holroyd; Christic Institute on 22.11.63; the Tory Right between the wars - review essay; Fiji coup update; review essay on *Geheim*. 34 pages 1987.

16 Rothschild, the right, the far-right and the Fifth Man; death of Kilda Murrel; French Vendetta - the Rainbow Warrior to the Iranian hostages; KAL007; Ken Livingstone's questions; Philby names names; overthrowing Gough Whitlam. 40 pages; 1988.

17 Five at Eye: *Private Eye* and the Wilson smears; Colin Wallace and Information Policy in fiction; disinformation and the new 'terrorist threat'; the London CIA station; Crozier, Goldsmith and the Pinay Circle; more anti-Labour forgeries; the death of Zia. 24 pages, 1988.

18 Jeffrey Bale's 'Right-wing Terrorists and the Extra-parliamentary Left in Post-World War 2 Europe: Collusion or manipulation?; covert propaganda and the Right - more on the Pinay Circle; a short history of the SAS in Northern Ireland; *Inside BOISS* and after - Gordon Winter. 36 pages, 1989.

19 The final testimony of George Kennedy Young; Common Cause; the CIA and the British trades unions, supplement to spooks' Who's Who; High Thomas on Fred Holroyd; Jeffrey Bale on Shooting the Pope; Disinformation; ELF; obituaries of Michael Stewart, Stanley Mane, Greville Wynne; conspiracy theories reconsidered. 42 pages, 1990.

20 Peter Dale Scott's *The United States and the overthrow of Sukarno, 1965-67*, Clay Shaw's United Kingdom contact analysed; Dean Andrew's testimony to the Warren Commission; Scott Newton's The *Economic background to appeasement and the search for Anglo-German detente before and during World War 2*; an extract from Hugh Thomas' response to the *Timewatch* hatchet job on his research about Hess; the text of David Calcutt QC's judgement on Colin Wallace's appearance before the Civil Service Appeal Board in 1975. 36 pages, 1990.

21 Jeffrey Bale's *Heavenly Deceptions: the Moonies, WACL and the Korean CIA*; Colin Wallace on Chapman Pincher's version of Colin Wallace; Western Goals (UK). 28 pages, 1991.

22 The Fall of Willi Brandt; MI5 and the British Fascists before WW2; A Who's Who of Appeasement; more British spooks spotted; ELF update. 24 pages 1991.

23 Mind control and the American government; US Army Intelligence LSD testing; Stalker reconsidered; British fascism 1974-83, part 1; bit and pieces on JFK and *JFK*; Timothy Good demolished; the British Parliamentary Lobby's rules circa 1969. 36 pages, 1992.

24 Larry O'Hara's *British Fascism 1974-92, part 2*; An Incorrect Political Memoir - Daniel Brandt; Scott Van Wynesberghe on JFK and occult thinking; R Ramsay on 'Our *Searchlight* problem'; the Gable memo reprinted in full; Garrison reconsidered; mind control update. 32 pages, 1992.

25 Moscow Gold; John B Alexander , the Pentagon's Penguin - Armen Victoria; Mike Hughes on Churchill and the Focus group; Larry O'Hara's British Fascism, 1983-86, part 3; Scott Newton on Hess. 28 pages, 1993.

Special Issue - *A Who's Who of the British Secret State*, compiled by Steve Dorril. 110 pages, 1850 (approx) names and brief biographies.