

LOBSTER

INTELLIGENCE PARAPOLITICS STATE RESEARCH

£2

NO. 11

WILSON, MI 6 AND THE RISE OF THATCHER



COVERT OPERATIONS IN BRITISH POLITICS 1974-78

FOREWORD BY KEVIN McNAMARA MP

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Introduction

This is issue 11 of *The Lobster*, a magazine about parapolitics and intelligence activities. Details of subscription rates and previous issues are at the back. This is an atypical issue consisting of just one essay and various appendices which has been researched, written, typed, printed etc by the two of us in less than four months. Its shortcomings should be seen in that light.

Brutally summarised, our thesis is this. Mrs Thatcher (and 'Thatcherism') grew out of a right-wing network in this country with extensive links to the military-intelligence establishment. Her rise to power was the climax of a long campaign by this network which included a protracted destabilisation campaign against the Liberal and Labour Parties - chiefly the Labour Party - during 1974-6. We are not offering a conspiracy theory about the rise of Mrs Thatcher, but we do think that the outlines of a concerted campaign to discredit the other parties, to engineer a right-wing leader of the Tory Party, and then a right-wing government, is visible.

We have relied heavily on two sources which need some comment. The first is Chapman Pincher. If Pincher is now thought of largely as the chronicler of the obsessions of a right-wing faction within the British intelligence and security services, before he got stuck with the obsession with 'moles', in his *Inside Story* he offered an unprecedented insight into the British State's operations against the domestic left-wing, especially the Labour Party. Our second source is the recollections of the period by former members of the armed forces and intelligence services, and in particular the written evidence of Colin Wallace, a former Senior Information Officer with the British Army's psy-ops unit in Northern Ireland. In our view Wallace is the most important source on the British state's covert activities to have appeared since WW2.

But with Wallace's various narratives - and we have used only a small fraction of the material he has written - all the reservations about the validity of written material come to a

head. Wallace worked for years putting out grey and black propaganda in Northern Ireland. When he was forced out of the Army as the scapegoat for the Army and intelligence services' psy-ops campaigns, those organisations began putting out misinformation about Wallace, some of which is still apparently believed by some British and Irish journalists. Some of this misinformation found its way into the 'radical' press. We acknowledge that we were taken in by it initially. In our case it was a piece about Wallace which first appeared in *The Leveller* which we recycled in our pilot issue, Lobster 1.

We mention this here not just to apologise to Wallace - which we do - but to illustrate in a very personal way the essential (and unavoidable) problem of relying on the printed word.

We believe Wallace's version of events: where it can be checked it checks out. We hope that if this essay achieves nothing else it will alert people to Wallace's wrongful conviction for manslaughter, discussed in the appendix written by Captain Fred Holroyd.

We dedicate this Lobster to Wallace and Fred Holroyd, two brave men; and to Ace Hayes Jnr. for his occasional and very welcome financial assistance.

Robin Ramsay/Stephen Dorril April 1986

NB In the text after some names this appears: (B). This means that there is some biographical information about the person in the biographies appendix.

**Wilson, MI5 and the Rise of Thatcher
Covert Operations in British Politics 1974-1978**

Foreword

Kevin McNamara MP

Any person who lived through the anguished days from November 1973 until Wilson's resignation will recall the high level of anticipation, expectation, surprise and wonder about what would be the next story to be leaked, scandal to be revealed, personality to be defamed, that was going to be another blow to the Labour Government.

Stephen Dorril and Robin Ramsay have sought to unravel the events which took place at that time. They suggest that it was all part of a plan by elements within the security forces of the United Kingdom seeking to destabilise the Government of the day and to try to ensure the return of a Conservative Government with a right-wing leader. As a footnote to these events they examine the role of the 'black' propaganda unit in Northern Ireland during the period leading to the downfall of the Power Sharing Executive.

They make sense of Harold Wilson's complaints when he resigned - of steps being taken to destabilise his government - which, at the time, many people put down to Wilson's paranoia and his continuous skirmishing with the press.

Not everyone will accept the authors' analysis or conclusions but there is sufficient evidence to make people go back and relive those events and wonder exactly what was going on and who was trying to do what in those exciting and frustrating thirty

months.

"We were at home in Cheshire, and I said to my wife and children that we should have a nice time, because I deeply believed then that it was the last Christmas of its kind we would enjoy."

Heath Cabinet member, John Davies, speaking of Christmas 1973.
(*Ambush at Tully-West*, Kennedy Lindsay, Dundalk, Ireland 1980 p107)

Wilson, MI5 and the Rise of Thatcher Covert Operations in British Politics 1974-1978

An Outline of the Contents

In 1976, just before and just after his resignation as Prime Minister, Harold Wilson made a number of charges about South African activities in British politics, and, more interesting and more serious, expressed anxieties about MI5 in relation to the Labour Government of the day and to himself personally. There was brief flurry of interest in the media and the House of Commons and then - almost nothing. (1)

This extraordinary lack of interest in unprecedented charges by a senior British politician was probably due to a combination of Wilson's own personal lack of credibility at the time (this came just after the furore over his Honours List); a sense of *deja vu* on the part of journalists who had become accustomed to Wilson's distrust of the media and who may have seen these new claims as more of the same (or something similar); and the fact that having made the original charge, Wilson then provided no more public information. (2)

In private, however, Wilson had provided a little more information to a pair of freelance BBC journalists, Barry Penrose and Roger Courtier, and set them going in search of the MI5 and South African connections (3) In the event, Penrose and Courtier (who were to become known as Pencourt) ended up concentrating on the South African end of things and were steered - we believe, and will argue below, steered deliberately - away from the MI5 end of the story and towards the Jeremy Thorpe/Norman Scott scandal; in effect, becoming part of the plot they were supposed to be investigating.

The results of Pencourt's research, *The Pencourt File* (London 1978) appeared to widespread scepticism and disinterest. (We discuss this episode below.) For in the meantime the political world has moved on a long way. The 1976 IMF crisis had come and gone, 'Uncle Jim' Callaghan was at the helm, and Wilson's original claims had been forgotten or dismissed as unimportant.

To anticipate some of our conclusions, we believe that Harold Wilson had every reason to be anxious about MI5; that as he and Marcia Williams, his personal secretary both claimed, there had indeed been a plot by MI5 and various other groups and individuals to undermine his government. Putting together this plot and the context in which it took place is the bulk of this essay.

A number of threads make up the background. There was the war in Northern Ireland, and the economic crisis generated by the Heath/Barber 'dash for growth' and the

political reaction to it from sections of the Tory Party and their allies in capital and the Secret State. By late 1973 people on the right believed that they were witnessing the end of British democracy, the 'British way of life' and everything.

Heath and co. ended up taking on the miners for the second time (and losing); and fighting a 'Who rules?' election (and losing). And so the return of Harold Wilson and the extraordinary events of 1974 - about which much more below.

Arbitrarily we can locate the beginning of this in 1969 when the Labour Government pruned the Foreign Office's covert propaganda arm, the Information Research Department (IRD).(4) IRD had grown from its origins in the 1940s to employ hundreds of people and spend nearly £1 million per year on anti-Soviet and anti-Communist propaganda. (5)

The next year some of the personnel of another covert propaganda operation, this one run by the CIA, Forum World Features (FWF), began setting up a third organisation, the Institute for the Study of Conflict (ISC). Several members of the Information Research Department then moved across to ISC. Forum World Features, funded through a number of CIA front companies, carried on until 1975 when it closed down just ahead of exposure in the British press as a CIA operation.

In 1975 a large number of internal documents from the Institute for the Study of Conflict were leaked to the magazine *Time Out* (then in its radical phase), and a selection were reprinted in or reported on in *Time Out*, *Searchlight* and the *Guardian*. (6) The leaked documents showed that ISC was part of a network of right-wing bodies - official, semi-official and private - all of which were interested in 'subversion', and that ISC, despite its apparent fledgling status on the political scene, was already lecturing on 'subversion' to the British Army and the police. (7)

In Northern Ireland in 1971, influenced by the counter-insurgency theories of Frank Kitson among others, the British Army was setting up the so-called Information Policy Unit, a disinformation and black propaganda operation. Colin Wallace joined Inf Pol, as it was known, and, as its only indigenous Northern Irish member, quickly became its leading operative.

The situation in Northern Ireland - a guerilla war inside the UK - brought 'low intensity operations' (Kitson's anodyne phrase) to the fore and a number of conferences were arranged at which British counter-insurgency experts spread the message: it might happen on the mainland UK, and what are we going to do about it when it does?

British capital, meanwhile, was getting nervous about the economic mess Heath and co. had created and the growing militancy of the British trade unions in response to it. In late 1973, as fears about the arrival of a Labour government deepened, Aims of Industry launched its £500,000 campaign against the Labour Party.

The British Army began expanding its psychological operations training facilities - for the first time including civil servants on its courses. (8) In London the former No 2 at MI6 and Monday Club activist, George Kennedy Young, began setting up the Unison Committee for Action with Ross McWhirter.

In short, by the end of 1973 an array of organisations on the political right - and the

list above is by no means exhaustive - had begun planning for (ie planning against) the arrival of a Labour government. The 'old hands' in the Economic League and Aims of Industry had been joined by members (and ex members) of the Secret State. And into this melange walked the dear old Labour Party, Wilson, Callaghan et al, in February 1974.

Although they probably didn't know it, and wouldn't have taken it very seriously if they had, the British right-wing was gearing up for a 'battle to save civilisation' as they knew it. And at the heart of this activity was MI5, whose primary business was precisely to prevent what the right believed was about to happen - socialism in the UK. (9)

Just over two years later Harold Wilson was moved to complain publicly about MI5. To get back to this point we have to retrace the steps of this introductory sketch in more detail.

1. One of the few people who took it seriously was Andrew Wilson in the *Observer* 28 August 1977. A typical piece of dismissive rubbish is Peter Kellner (Insight) *Sunday Times* 13 March 1977

Tory MP Peter Blaker tried to resurrect the Wilson/MI5 issue in 1978 in the House of Commons but the speaker ruled it out of order. See Pincher (1978) p 40

2. Christopher Andrew's recent description of the episode as 'farcical' is probably the current received view - when the episode is remembered at all. (Andrew, 1985 p602). Whitehead (1985) makes no reference to it.
3. Best account of the South African connection is Winter (1981) but this is now unavailable after a number of lawsuits. In its absence the best short account is Barber (1983). See also Rose (1981) Ch.11.

Roger Courtier had already done some work in this area while working for Summers and Mangold (1976). Phil Kelly (*State Research* No 5) suggests that others, including Mark Hosenball, had been sounded out for the job.

4. David Leigh, *Guardian* 27 January 1978
5. Major pieces on IRD are: Fletcher (1982) and in *Observer* 29 January 1978, *Guardian* 18 December 1981, *Tribune* 2 September and 9 September 1983. See also Duncan Campbell, *New Statesman* 27 February 1981. A useful overview is Smith (1981)
6. *Time Out* 20-26 June 1975 and the following week; *Guardian* 16 July 1976; *Searchlight* Nos. 18 and 21.
7. *Private Eye* speculated that the documents had been leaked by 'moderates' inside British intelligence, alarmed at the activities of some of the 'wild men'. This view, attractive though it is, has no evidence to support it.

8. Best collection of pieces on psy ops is in *Newsline* (1981)
9. We talk of 'MI5' throughout this but we should make it clear that we don't know how much of MI5 as an organisation was involved. Wallace talks at one point of a group of individuals, including MI5 personnel, and then, elsewhere, of 'MI5'. Pincher says it was a group of MI5 and ex MI5 personnel. David Leigh (*Observer* 15 September 1985) has hinted that among those involved was Peter Wright, one of the leading figures in the campaign against former MI5 head Roger Hollis. Wright is obviously one of Pincher's major sources for his last two or three books.

Who else is in this group of MI5/ex MI5 who organised all this remains unknown. Wallace won't name names. All of which is to say, our use of 'MI5' throughout is just convenience: it would, of course, be more accurate to write every time 'unknown numbers of MI5'.

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Preparing the ground

Among the documents leaked from the ISC in 1975 was a 1972 memo from John Whitehorn, Deputy Director of the Confederation of British Industry (CBI), urging member companies of the CBI to increase their funding to 5 organisations working against 'subversion' in British industry.(10) Four of the five were the old hands of British anti-union, anti-left activities: the Economic League and Common Cause which ran their own intelligence operations and vetted employees for companies; Aims of Industry (aka Aims, aka Aims for Freedom and Enterprise), the major propaganda organisation on behalf of British capitalism and against the left - primarily the Labour Party; and IRIS (Industrial Research and Information Services Ltd.) which does a bit of 'subversive' spotting and a bit of propagandising on behalf of 'moderate' trade union leaders. The fifth organisation was the Institute for the Study of Conflict (ISC), at that point only 18 months from its formal registration as a charity (sic). (11)

ISC's inclusion in this grouping is less surprising than it might look. Brian Crozier (B), ISC's founder, had established links with the British domestic anti-union, anti-left organisations in the 1960s. He edited the 1970 anthology *We Will Bury You* which included pieces by David Williams (editor of *Common Cause* journal) and Harry Welton (publicity director of the Economic League). (12)

ISC's original founding members were Crozier, the late Brigadier W. F. K. Thompson (B) then the *Daily Telegraph's* military correspondent, and Professors Beloff (B), Schapiro (B) and Miller (B), and Fergus Ling. These five joined ISC's original Council with Hugh Adam-Watson (B) (resigned March 1974), Geoffrey Fairburn (B) (resigned 1975), and Richard Clutterbuck (B) (resigned 1977). A detailed account of ISC and its links to Forum World Features and IRD is in our appendices.

Crozier came to ISC as Chairman of the CIA operation Forum World Features. ISC was his idea and had grown from an original 'Current Affairs Research Services Centre' with Forum. From the British equivalent of FWF, IRD, came Michael Goodwin (B), Peter Janke (B), Lynn Price (B) and Kenneth Benton (B). (13)

Although nominally an independent semi-academic body with a governing council, ISC was a British intelligence operation under 'light cover'.(14) If the backgrounds of its personnel don't demonstrate this, the links ISC quickly established with the South African state, the British police establishment and the British Army should. In any case the connection was there for anyone who cared to look: for the first three years of its existence ISC's address was that of the Royal United Services Institute (RUSI) offices in London.

By 1974 ISC was delivering its line on 'subversion' at Bramshill, the police training centre, the National Defence College, the Royal Military College of Science, the Army Staff College, and to the 23 SAS (Territorials). (15). Further indications of ISC's integration into the British state was shown in the correspondence between ISC's Peter Janke and a member of the Cabinet Office, part of the documents leaked to Time Out.

The formation of ISC and the subsequent run-down of Forum World Features in 1975 appear to be nothing more than the pretty standard business of trying to maintain intelligence 'covers' by shifting the pieces around.(16) Another piece in the reshuffle was the 1973 decision by Brian Crozier to move the Forum World Features book publishing operation to his own company, Rossiter Publications. (Rossiter is Crozier's middle name.)

ISC's funding came from a variety of sources, including Kern House Enterprises, the CIA's funding cover for Forum World Features; the National Strategy Information Centre (NSIC); the Ford Foundation; and some British companies - Shell and BP, for example. (Details of funding in ISC appendix.)

ISC probably first came to the public's attention when part of a 'Conflict Study' it had produced - Sources of Conflict in British Industry - was reprinted in *The Observer* just before the election of February 1974. (17) Given over a page in *The Observer*, the ISC report regaled Observer readers with a long catalogue of examples of 'extremists' in industry with the Communist Party of Great Britain well to the fore. (A similar piece appeared contemporaneously in *The Economist*, although not attributed to ISC.) (18)

Another operation on the right at this time was being run by Geoffrey Stewart-Smith, the Tory MP for Belper (1970-74). After leaving the British Army, Stewart-Smith had set up the Foreign Affairs Circle in 1962 and began publishing the *East-West Digest*, a hard-line anti-Soviet journal which was sent free to all MPs. (We don't know yet who funded this venture.) *East-West Digest* was published by Stewart-Smith's Foreign Affairs Publishing Company (FAPC) which, in the early 1970s was acting as a distributor for publications from a wide spectrum of the British right, including Aims, Common Cause, Economic League, IRIS, the Centre for the Study of Religion and Communism (19) and the Slavic Gospel Association.

Stewart-Smith's contributions to the campaign against the left in 1974 included publication of three pamphlets:

- Not To Be Trusted: left-wing extremism in the Labour and Liberal parties.
- The Hidden Face of the Labour Party
- The Hidden Face of the Liberal Party

We've read the first of these, and from press accounts of the second and third they appear to be merely reprints of sections of it. One report (20) said that Stewart-Smith

was planning to distribute between 1 and 3 *million* copies of *The Hidden Face of the Labour Party* on "behalf of an unknown subscriber". (Our guess would be that the 'unknown subscriber' was the British tax-payer. We think Stewart-Smith was being funded in these ventures by MI5, probably using money from 'the secret vote'.) The anti-Liberal pamphlet was distributed in seats where the Liberals were thought likely to do well. (21)

Among the themes being promoted by MI5 against the Labour and Liberal parties at this time (discussed below) were those of the Stewart-Smith pamphlets: both parties riddled with 'extremists', with the Labour Party in particular being at the behest of the trade unions which, in turn, were infiltrated by members of the Communist Party who were de facto agents of the USSR.

Another of MI5's themes of the time - the Soviet Union behind the Provisional IRA - was the subject of another Stewart-Smith pamphlet published in 1976, written by John Biggs-Davison, at the time the Tory front-bench spokesman on Northern Ireland. (22)

In 1976, using South African Government money (23), Stewart-Smith set up another organisation, the Foreign Affairs Research Institute (FARI), whose council overlapped with ISC's through Crozier, Air Vice Marshall Stuart Manual (former Director of the Royal United Services Institute) and Robert Moss (B), long-time associate of Crozier and author of four of ISC's 'Conflict Studies'. (24) FARI and Stewart-Smith went on to bigger and better things in the late seventies but as this is outside the scope of this essay such developments are confined to the appendix on FARI.

10. See front page, *Morning Star* 31 January 1976.

11. The ISC charity prospectus stated: "the driving motivation behind ISC is the defence of free industrial societies against totalitarian encroachments." This, mark you, when charities are legally incapable of being 'political'.

12. Crozier (1970). Other pieces were by W.F. K. Thompson (on ISC's council), the Rev. Michael Bordeaux, now head of Keston College (see below), and C. H. Ellis (ex MI6), at the time working for Interdoc, an anti-communist intelligence outfit based in Belgium (Stevenson, 1983, p272). (See appendix on Interdoc) This, of course, was before Ellis was accused by Pincher and others of being a KGB 'mole'.

The publisher is given as Tom Stacey but the book is catalogued by Geoffrey Stewart-Smith's distribution service as "a Common Cause publication". Stacey turns up later in the seventies as Secretary of the pro-junta British-Chilean Council. Lord Chalfont was also a member. Stacey wrote a 1970 Monday Club pamphlet, 'A Defeatist America' Stacey published Monday Club founder Ian Greig's *Subversion*. Greig was an early associate of Geoffrey Stewart-Smith and became Vice-President of FARI. (See appendix on FARI)

A valuable research tool is the Harvester Press' *Radical Right and Patriotic Movements in Britain*, a collection of microfiche records of the entire output of Monday Club, Aims of Industry, Bow Group etc.

13. Benton writes thrillers - bad ones. One of his, *A Single Monstrous Act* (1976) spends most its time describing a revolutionary Trotskyist sect planning a coup in Britain (sic). This veneer of sophistication drops off at the end when the KGB is revealed to have been behind things all the time. This illustrates nicely the difficulty 'old hands' like Benson have with the independent radical left. What they'd like to believe is that Moscow is still behind it all.
14. Bernard Nossiter: "I have learned from responsible officials that ISC is also the creature of an intelligence service, British this time." *International Herald Tribune* 24 July 1975.
15. According to Christie (1982) 23 SAS(V) was formed in London in 1959 but then transferred to Birmingham. It was formed from an existing unit 'The Joint Reconnaissance Unit (TA)' which in turn had originally been known as the Joint Reserve Prisoner of War Intelligence Organisation (TA); and before that as Intelligence School No 9 (TA), the post-war continuation of IS(9) the operational arm of MI9. It had squadrons in the more important industrial centres and could provide a means of monitoring social unrest. Airey Neave was a member during part of its history. (See Neave biography in appendix.)
16. See appendix on ISC/FWF for the details.
17. *Observer* 3 February 1974. It has been reported that some of the *Observer's* staff were appalled at the decision to print this. But then the *Observer* has been known to rub up against British intelligence in a friendly fashion once in a while. See Bloch and Fitzgerald (1983) on this.
18. *Economist* January 19 1974. Brian Crozier and Robert Moss edited the *Economist's Foreign Report*. This in itself makes us suspect it of being another British intelligence operation.
19. Now known as Keston College. Keston has all the indications of being another MI6-funded operation. It received some publicity during the events around the defection of the KGB officer Gordievsky in 1985. Among Gordievsky's tasks was keeping an eye on Keston's activities. See *Sunday Times* and *Observer* 15 September 1985 and *Times* 14 September 1985.
20. *Guardian* 1 August 1974
21. Knight (1982) p 34
22. See *Daily Telegraph* 6 September 1976. This line was promoted by Wallace and the Information Policy Unit in Northern Ireland - without a lot of obvious success.
23. *Guardian* 11 February 1983. For a general picture of South African funding of political groups round the world see Rees and Day (1980).
24. Moss is a more significant figure than the British left is inclined to think. See the biographical sketch in the appendices. There is a sketch of FARI in the appendices.

Military manoeuvres

As the Heath government's economic policies unwound and the fears of trade union-led 'anarchy and chaos' increased, the right began looking to the armed forces to maintain 'law and order' in the near future.

The British Army was already thinking along similar lines. With its extensive post-WW2 experience in counter-insurgency the Army sent Frank Kitson, a bright young officer with personal experience of British operations in Kenya and Cyprus, to Oxford University for a year to synthesise the extant literature on counter-insurgency methods. The result was the famous (or infamous) *Low Intensity Operations*.(25) Just before Kitson departed for Oxford the Army's Land Manual had been updated and a new section on counter-insurgency added (26); and in 1972, with the Army embroiled in a counter-insurgency situation in Northern Ireland, Kitson was given command of the Belfast Brigade and the chance to try out some of his theories.(27)

By 1972 politicians on the Tory right had begun to speak publicly of the need for Army involvement in civil affairs on the UK mainland. Winston Churchill MP, a member of the right-wing Monday Club, called for the use of troops to break the (first) miners' strike, (28) and fellow Monday Clubber John Biggs-Davison called for "a special anti-terrorist force and mobile squad of motorised troops to counter the forces of red fascism." (29) In June 1972 Patrick Wall, a third Monday Club member, in a letter to the *Times*, predicted that in the future, as well as its role in NATO, the Army would have to "sustain lawful authority in the face of subversion leading to possible guerilla warfare." (30)

The same year the right-wing Tory Bow Group wrote in a pamphlet, *Peace Has Its Price*, that

"co-operation between the Ministry of Defence and the police needs to be strengthened considerably ... to prepare contingency plans for dealing with internal unrest in Britain ... arranging joint exercises between police and army units." (31)

By 1973 these cries off-stage right had been taken up by the Tory Party as a whole. In a document, *In Defence of Peace*, it cited Kitson amongst others, suggesting that "the study of the techniques of terrorism must now be an integral part of every front line soldier's training." (32)

These glimpses of the right's politicians grappling with these newish ideas are matched by the occasional sighting of the military doing the same thing. In October 1972 *Army Quarterly* editorialised on the role of the Army re subversives: "the increasing activities of revolutionary bodies now operating freely; their fomenting of violent mass protest ... preventive measures..etc." (33)

In April 1973 the Royal United Services Institute staged a conference on the "Role of the Armed Forces in peace-keeping in the '70's". Chair was Monday Clubber Biggs-Davison and speakers included Brig. W. F. K. Thompson (ISC Council member),

Brig. Birdwell (RUSI journal editor) and Brig. Mike Calvert. (34)

To the alarm of Harold Wilson and Marcia Williams, police-military links were tried out with the Heathrow exercises during 1974 (the first in January), all organised on spurious 'terrorist' pretexts. (35) In April 1974 a seminar on "revolutionary warfare" was attended by senior police personnel as well as those from the Army and the Navy. (36)

The process of Army self-education included the employment of ISC which, in 1974, gave lectures on 'subversion' at a number of military establishments (37); and the employers' intelligence service, The Economic League. The League's report for 1973 noted (p8) "the greater demand for detailed knowledge about subversion received by the League's Director of Information and Research to speak at formal and informal meetings and courses held at Ministry of Defence establishments."(38)

25.Kitson (1971) See also the autobiographical *Bunch of Five*, Kitson (1978)

26.Discussed in *State Research* October/November 1978 pp20-21

27.One French commentator, Faligot (1983) claimed that all of Kitson's theories were implemented. This is challenged in *Lobster* No 10.

28.Thompson (1980) p 75.

The Monday Club held a conference on 'subversion' in 1970. Speakers included Charles Lyon, ex-FBI, Sir Robert Thompson, Ian Greig, Harold Soref and G. K. Young (*Counterspy* November 1981). An interesting line-up. Lyons was "London contact for the Maheu agency" - the Robert Maheu Agency which worked for Howard Hughes (Hougan, 1979, p274). Soref was Vice Chair of the Monday Club in 1974. He wrote to the *Observer* (24 July 1977) attacking Harold Wilson for his attacks on MI5 and South Africa. Winter (London 1981) portrays Soref as a witting agent of the South Africans. See pp 330-333. Soref sued Winter for this. Soref, like so many of the cast of characters on the Tory right was in intelligence during WW2: Intelligence Corps, 1940-46.

29.Newslines (1981) p 40

30.*Labour Research* December 1974

31. *ibid* This pamphlet illustrates nicely the intricate networking of the right-wing. One of its authors was Julian Radcliffe who emerged later as one of the brains behind Control Risks, whose apparent business is 'risk insurance'. Control Risks also acquired ISC's Peter Janke and Richard Sims, and General Frank King (see below). Acknowledged as assisting the authors were Manual (ISC council), W.F.K. Thompson (ISC Council, and later on National Association for Freedom Council).

32.*Labour Research* December 1974

33. Quoted in Agee-Hosenball (1977 p 10) Editor of Army Quarterly was Maj-Gen. Charles Stainforth, on the board of Common Cause.
34. *Newsline* (1981) p 27. Calvert was a lecturer at Manchester University on 'strategic warfare' (*Guardian* 20 June 1974). At a later conference on a similar theme in 1976 the speakers included the ubiquitous Chapman Pincher and Robert Moss. (Agee-Hosenball, 1977, P11)
35. Wilson's 'alarm' in Penrose and Courtier (1978) p241
36. Bunyan (1977) p282
37. Details in *Guardian* 16 July 1976
38. That 1973 report was the last occasion on which the League was so explicit about its activities.

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Rumours of coups

In 1974, in the months following the Labour Party's February election victory and, as we shall see, mostly after the Ulster Workers' Council strike in Northern Ireland, a rash of talk about 'coups' in Britain appeared in the British non-tabloid press. (39) Most of these articles were obviously influenced by the Ulster Workers' Strike in May, but the conclusions drawn from that event varied as it was then still apparently unclear whether the UWC strike had been a display of political muscle by the Army - refusing to implement the Wilson government's policies - or an admission of weakness - the Army unable to carry out its political instructions against the will of the Protestant population. This 'coup talk', when it is remembered these days, seems to be regarded as a kind of 'media bubble'. But it wasn't just that.

In the space of four months there was the Ulster Workers' Council strike during which the Army refused to carry out the Wilson government's instructions (discussed below); the public appearance of the so-called 'private armies' GB 75 and Civil Assistance (discussed below); with the whole episode topped off by recurring speculation about the possibility of a coup in Britain based on 'insider' knowledge of the widespread discussions within the armed forces of how, and under which set of circumstances, they would intervene to 'maintain law and order'. "Andrew Sefton", the pseudonymous officer said such discussions took place; so did Field Marshall Lord Carver some years later. (40)

39. Patrick Cosgrave seems to have started it (*Spectator* December 1973) but the main events (or non events) happened in August 1974. See 5, 16 August (Lord Chalfont and Charles Douglas Home) in *Times*; a 'senior officer' replied to Cosgrave (*Spectator* August 17); Wilson et al in *Observer* August 18; and 'Andrew Sefton' (pseudonym) in *Monday World*, Summer 1974

40. Carver confirmed the coup talk at the Cambridge Union on 4 March 1980. He said that 'fairly senior' officers at the Army's headquarters were talking about the possibility of military intervention during the miners' strike in February 1974. (*Guardian* 5 March 1980)

This illustrates a curious episode in Whitehead (1985 pp109-110). Sir Robert Armstrong, Cabinet Secretary "had been at Ditchley on 27 January talking wildly about coups and coalitions"..."Downing Street insiders talk of him as ..'really quite mad at the end.. lying on the floor and talking about moving the Red Army from here and the Blue Army from there.' " We wonder how mad he really was. When Cabinet Secretaries talk of coups, under any circumstances, we should take note.

Lord Chalfont said of the time: "There were some people behind the scenes ... who were suggesting that the only answer was a military government." (Whitehead (1985) p 211)

Wilson, MI5 and the Rise of Thatcher Covert Operations in British Politics 1974-1978

The 'private armies' of 1974 re-examined

In late 1973 and early 1974, while the British military were discussing their future role in counter-insurgency/ industrial action fields within the UK, the perceived threat of a British left dominated by the trade unions, triggered the formation of a variety of so-called 'patriotic groups' - the misnamed 'private armies'.

Two of these groups, General Sir Walter Walker's Civil Assistance and David Stirling's GB 75, received a fair bit of press attention. (41) But these two, if contemporaneous press accounts are to be believed, were just the sharp end of a wider movement.

Some of the earliest press reports spoke of many such groups. Christopher Walker in the *Times* (31 August 1974) wrote that "already more than 40 are known to be in existence". (What this knowledge consisted of isn't clear. The sole reference to '40' seems to have come from one of Walker's assistants, Colonel Robert Butler, who claimed that more than 40 groups had been in touch with Sir Walter.) Two days before this report Walker had written about a Major Greenwood, secretary of one of these groups, set up in late 1973, which claimed to have 900 (security vetted) members. Greenwood saw his group "com(ing) into action if there was a situation in which no parliamentary government was left ... the Services would move in to maintain vital services ... (and) we would be able to come to their assistance."

Who were they? This was the first and last appearance of Major Greenwood and his group of "disciplined men". Did they exist at all? Of this group's existence there is nothing resembling evidence. And this raised the central question about this episode: how seriously should we take any of this? Were the "private armies" of 1974 simply 'ghost' organisations, psychological operations? Colin Wallace, at the time working in Northern Ireland with a 'ghost group' all of his own, the 'Protestant paramilitary' Tara,

says they were just that - psychological operations. (42)

One of the first of these 'patriotic groups' was the Unison Committee for Action (aka Unison) which was set up in early 1973. Information on Unison is scanty. The *Observer* (4 September 1977) quoted General Sir Walter Walker to the effect that he had set up Unison with Ross McWhirter at the invitation of G. K. Young, ex Deputy Director of MI6. Young "had come to him on the recommendation of Field Marshall Sir Gerald Templer", something Sir Walter has confirmed recently to the authors. (43) (We return to the links with McWhirter below.)

What happened between Unison's formation in early 1973 and its appearance in the press in July 1974 isn't known. They may have been setting up the organisation (assuming there was one and we aren't dealing with a 'ghost' group), and, perhaps reading "the exchange of ideas and papers about what to do" that David Stirling talked of "happening all the time." (44) (Stirling apparently wrote on the recurring theme of the time: 'how to maintain vital services in the event of another general strike.' (45))

At any rate something went wrong and Sir Walter quit Unison some time in mid 1974, announcing his own organisation, Civil Assistance. There is a bit of mystery here. In the press reports of the time Unison and Civil Assistance look like the same thing. But in a letter to the authors Sir Walter said that Unison and Civil Assistance had always been "separate", and that "Civil Assistance did not really grow out of Unison for I never understood what Mr Young's objectives were. He was extremely secretive and I, therefore, decided to keep away from him."

We suspect Sir Walter is indulging in a little rewriting of history here. Press reports of those days refer to Unison (as does Col. Butler) up till 24 August. Then, four days later, out pops Civil Assistance, apparently fully formed. (46) (At this time Unison/Civil Assistance were talking to the National Association of Ratepayers Action Groups and the National Voluntary Civil Service, although neither organisation did, in the end, decide to join.) (47)

While Unison was forming and then giving birth to Civil Assistance, SAS founder David Stirling was doing something similar. In late June 1974, the first hint of what was to follow 2 months later appeared. Stirling was reported to be "investigating methods of keeping British power stations and key services in operation in the event of a major strike." (48) Stirling said he was "approached informally by some individuals who were concerned about the appalling damage a major strike would do, interruptions of vital services like power, sewerage and so on . " Where Young/Walker's concern had been roused by the industrial activities of 1972/73, Stirling claimed that "it was the effect of the Ulster strike, and the Army's response to that strike, rather than the events of last winter's crisis, which caused their alarm." (49)

In these comments Stirling was laying false trails. For on August 22 his plans and memoranda about the organisation - to be called GB75 - were leaked (or apparently leaked) and published in *Peace News* and the *Guardian*. But they were dated May 10th, *before the Ulster Workers' Council strike*.

Stirling's documents say that the plans had been formulated after talking to "varying ranks in the armed forces, local authorities, directors ... and some senior members of the late Conservative Government." And, as we know now, Stirling's contacts included Field Marshal Lord Carver, then head of the British Armed Forces. (50) *The Times*

suggested that his "consultations" with Tory ex-ministers may have been rather more substantial than Stirling suggested, noting that "Colonel Stirling's plan to save the government of the day from the consequences of "political strike" *was put* (emphasis added) to former Tory ministers earlier this year."(ie 1974) (51)

But nothing about Stirling's memo gives us any confidence in its veracity. For example, in the first memo (dated May 10th), apparently true to his middle-of-the-road background (52), Stirling (B) says that his organisation "will have no truck with the extreme right-wing and neo-fascists already appearing on the scene"; and that it is "to give teeth and credibility to the centre." Who are these neo-fascists? Unison? Stirling named Unison in his second memo (53) referring to the "apparently highly militaristic and very right-wing nature of Unison's management. " Yet in a letter to us, Sir Walter claims that Stirling asked him to take over GB 75 but he never intended to do so "because his (Stirling's) methods seemed to be more provocative than mine. "

After his second memorandum to GB supporters (of whom only the Jersey-based arms dealer Geoffrey Edwards seems to have been identified) (54), Stirling "stood down" GB 75 until after the election in October 1974. It never appeared again and Stirling surfaced next in April 1975 urging his supporters to join him in a new organisation, Truemid. (55)

Such ideas were not the sole preserve of retired soldiers and self-styled 'patriots'. *The Times* reported that year that "proposals for the establishment of a new civilian volunteer force" to assist the police and cope with vandalism and the "maintenance of public order" had been put to Mr Heath and Sir Keith Joseph by a group of Tory MPs including Airey Neave, Angus Maude, Jill Knight, Carol Mather and Harold Gurden. " (56)

Although Neave (B) denied that their proposals had anything to do with Walker/Stirling, or that they envisaged this volunteer force strike-breaking, three of the group were Monday Club members, as was G. K. Young, founder of Unison, and it seems implausible that the two groups were unaware of each other's existence.

Sir Walter Walker sent a final note round the membership of Civil Assistance in October 1976 signalling its demise.(57) In a letter to us Sir Walter attributed the apparent failure of Civil Assistance to "lack of active support." Although he had created "an organisation in more than 50 counties, few of the co-ordinators at county/city/parish level were capable of putting into action the tasks that I saw would be necessary. "

This is the voice of '86. Ten years earlier, in his farewell letter, it seemed that Civil Assistance was folding because its negotiations with the National Association for Freedom had broken down. (We discuss NAFF at some length below.) The negotiations with NAFF had been protracted. NAFF's John Gouriet said of this episode:

"Unfortunately the public impression of Civil Assistance is that it is a 'private army', although as we have made clear on many platforms nothing could be further from the truth - we don't want to attract similar adverse publicity." (58)

What conclusions can we draw from these fragments? Sir Walter gives a clue in his

farewell letter when he describes Mrs Thatcher, then newly elected as head of the Conservative Party, as "the salvation of this country truly alive to both these threats" (i.e. the threat from without and within). It was a new era for the Conservative Party with an honest-to-goodness right-winger at its head. The search for a new leader of the right was over. The disappearance of Civil Assistance and the absorption of some of its council members into the National Association for Freedom now looks like a simple and logical evolution.

The really interesting question today is: how unofficial were GB 75 and Civil Assistance? Walker and Stirling, both substantial figures in this country whatever you may think of their politics, made contact in the early days of their organisations' lives with very senior people indeed: Walker with Sir Gerald Templer; Stirling with Field Marshal Carver. Both Walker and Stirling had spent most of their lives serving the British state - Walker in the Army and, later, with NATO; Stirling in a number of MI6-related organisations and activities. Is it conceivable that men such as these would proceed without having had some kind of recognisable, if informal, go-ahead?

In one of his letters to us Sir Walter denied getting any kind of clearance but added that "several of the hierarchy (of the Army) did ask me how things were progressing when we met at certain Army functions." More interestingly he volunteered a list of people who had given him support of various kinds. They break down into two groups. Lord Mountbatten, Field Marshall Sir Claude Auchinleck, Admiral Varyl Begg, the late Duke of Westminster and the late Lord Boyd all wrote or spoke in support of his venture. The second group actually did things. (The comments after the names are Sir Walter's.)

- Marshall of the Royal Air Force, Sir John Slessor - practical assistance
- The late Sir Alexander Abel-Smith - close contact
- The late Ross McWhirter - close contact and joint planning with me from the word 'go' Lord Cayzer and his full board - financial assistance for 4-5 years to the tune of £10,000 initially for two years then £5,000.

Cayzer, McWhirter and Slessor all need some comment.

Cayzer was Chairman of British Commonwealth Shipping, one of the most significant supporters of the Tory Party in recent years -(£90,000 plus in 1983 and £4,000 to the Economic League). He was a member of the Council of the Economic League from at least 1966 (our information doesn't go any further back) continuously through to the beginning of the 1980s, and on the board of the Thatcher-Joseph think tank, Centre for Policy Studies. (He resigned from that body in 1984). But more interesting, a subsidiary of British Commonwealth Shipping is Airwork Ltd., a company which has played a role within the post-WW2 British empire very like that played by the CIA front companies like Air America. Airwork Ltd, in short, is an MI6 front. (59)

Sir John Slessor was a member of a mysterious group called Resistance and Psychological Operations Committee (RPOC). There is only one source on RPOC - Chapman Pincher. (60) According to Pincher RPOC was set up in 1970 under the banner of the Reserve Forces Association, to be "something like the WW2 Special Operations Executive (SOE)". (i.e. an anti-communist guerilla force.)

"For the past six years a clandestine section of it had been setting up the nucleus of an underground resistance organisation which could rapidly be

expanded in the event of the Russian occupation of any part of NATO, including Britain itself. With the Tory Government's blessing it was given access to Defence Ministry departments like the Combined Operations Executive and the Joint Warfare Establishment formed close links with the SAS ... own secret intelligence network... secured access to the Foreign Office's Information and Research Department which has special functions."

What this actually was no-one - no-one we have access to - knows. Slessor and some of the other people involved, like Special Operations Executive head Colin Gubbins, were in the seventies when RPOC was set up and it is always possible that it was little more than a group of old soldiers playing games in their dotage. But if so why were they given access to operations like Information Research and the Joint Warfare Executive, where the psy ops training was based? Indeed, if it were just old soldiers refusing to fade away, why was Pincher so angry at the group's demise under the Labour Government?

One final thread here. The RPOC group sounds not unlike the 'army of resistance' which Airey Neave was planning to set up in the event of a Labour victory in 1979 to forestall a "communist take-over". (61)

Slessor's support of Walker's group suggests - no more - that RPOC may have been rather more than it looks in Pincher's account. Participation in a clandestine organisation like RPOC must have had its temptations in Britain in the middle seventies with apocalyptic visions on the right common. Assisting Sir Walter Walker may have been the least interesting thing RPOC got up to.

The third interesting figure helping Walker was the late Ross McWhirter. Although quite widely regarded on the left as little more than a right-wing loony, McWhirter was rather more than that. The single most interesting fragment we have on McWhirter is the claim by ex-BOSS (Bureau of State Security - South Africa's secret intelligence service) agent Gordon Winter that he was told, via a British Special Branch source, that McWhirter and George Kennedy Young, both of them then working with the Society for Individual Freedom in 1970, were "senior British intelligence operatives", and that the Society for Individual Freedom was "almost certainly a British intelligence front organisation." (62)

This might just be misinformation or mischief-making on Winter's part, although the information about Young was correct. A source who was around in these circles at the time described that claim about McWhirter as "nonsense". But how would he (or we) know?

The Society for Individual Freedom was behind the prosecution of Peter Hain after the success of the Stop the Seventy Tour - with considerable help from BOSS. (63) Winter infiltrated the campaign from the off, taping its first meeting. SIF'S Francis Bennion went on a speaking tour of South Africa to raise money for the prosecution of Hain. Winter gave SIF his dossier on Hain and STST and was to have been the leading witness for the prosecution. But at the last minute BOSS told him to switch sides and preserve his 'cover' for a more important BOSS operation - smearing Jeremy Thorpe: the Scott-Thorpe documents had just fallen into Gordon Winter's lap. (64)

Intelligence agent or not, McWhirter was certainly busy in the early seventies with

Society for Individual Freedom; with Walker and Civil Assistance; with something called Inter-City Research, apparently an anti-communist research and publishing venture (65); and with Self Help (66). In the last two he was working with Lady Jane Birdwood, well-known in recent years for her racist activities. We have been told that at this time McWhirter was unaware of Birdwood's extreme views and that she effectively hi-jacked Self Help acquiring its printing press in the process. In this version of events the National Association for Freedom, discussed below, with which McWhirter was involved before the IRA killed him, was McWhirter's second attempt to set up a right-wing pressure group.

Colin Wallace, the British Army psy-ops expert in Northern Ireland at this time, has written of "covert assistance" from the British intelligence agencies for Unison, GB75 and Civil Assistance. It is certainly clear that all three organisations (assuming they were 'organisations' for the moment) had connections with British intelligence which they could have used. Stirling of GB 75 had worked with, and Young of Unison had been a senior member of, MI6. Walker connects to Young, via Sir John Slessor to RPOC and thus, in theory anyway, to RPOC's connections with IRD and SAS etc; and through Kayser into MI6 and its fronts like Kayser's Airwork Ltd. These palpable intelligence links will look all the more interesting if Winter's assertion about McWhirter being an intelligence agent can ever be substantiated. (67)

Wallace states that at some level, GB 75 and Civil Assistance were psychological operations. This is certainly not hard to believe about GB 75 whose life-span was brief, whose known membership was 1, and whose activities, as far as anyone knows, consisted entirely of a set of memoranda which conveniently found their way to the press. Civil Assistance, on the other hand, did seem to have members - its area co-ordinators were listed in the Ashford (Kent) Council directory (68) - and it did appear to survive for two years before packing its tents away. And Sir Walter continues to write about it as if it were a real organisation, as does his second-in-command Colonel Robert Butler. This may tell us nothing at all, of course. Walker may have been conned in some way into running an organisation whose real purpose was somewhat different from what he (Walker) believed. The role of ex-MI6 George K. Young in the early days of Unison/ Civil Assistance, at the minimum, should suspend any final judgements on Civil Assistance.

In a sense it matters not a jot whether or not anyone on the right actually believed that these 'patriotic' groups were likely to go into action. Issues which were on the right's agenda at the time - the fear of the unions; anxieties about the ability of the civil authorities to handle major strikes (the other 'lessons of the Saltley coal depot') - were being raised in acute form. Whether intentionally psy-ops jobs or not (and we are inclined to think that's what they were), between the general elections of 1974, along with the talk of coups, GB 75 and Civil Assistance were, de facto, psychological operations.

41. *Times* July 19, August 24, September 30, October 10; *Guardian* 25 June, 22 August, 23 August, 28 August, 4 September, 10 September - all 1974. See also *Observer* 4 September 1977.

42. See appendix on Tara

43. Templer, though over 70 at the time, was Lord Lt. of Greater London, the Queen's representative and formally, at any rate, in charge of contingency planning for the area. There is no mention of this episode in the recent biography of Templer by Cloake (1985)
44. *Times* 29 July 1974
45. *ibid*
46. There is an interesting letter in the collection leaked from ISC apparently to Ian Greig urging him to prise Walker away from Young. (*Searchlight* 18)
47. *Times* 24 August 1974. On National Ratepayers Action Groups see Nugent and King (1979) ch.2. Also *Observer* for a contemporary expression of the group's yearning for a 'leader'.
48. *Guardian* 25 June 1974
49. *ibid*
50. *Observer* 4 September 1977
51. *Times* 23 August 1974
52. See biography of Stirling
53. *Guardian* 4 September 1974
54. *Times* 24 August 1974. A "close friend" of Chapman Pincher (Pincher, 1978, p350)
55. On Truemid see *Leveller* 17. Truemid, apparently an organisation to bolster 'moderates' in trade unions, established links with IRIS and the Economic League. (*State Research* 13, p127)
56. *Times* 31 August 1974. Jill Knight is Secretary, and Patrick Wall President of the British Anti Communist Council. BACC's Peter Dally, its Chair, is a frequent contributor to *Asian Outlook*, the unreadably turgid journal of the Asian Peoples' Anti-Communist League, the Taiwan Government organisation and umbrella and major source of finance for the World Anti-Communist League (WACL). Dally is also Vice Chair of the European Council for World Freedom, also known as the Anti Communist Council for Europe. (*Asian Outlook* August 1984) Dally worked for Intelligence International Ltd. from 1969-1984 which published *Intelligence Digest*, originally set-up by Kenneth de Courcy who is said to have had connections with MI6.
- Dally was a Tory agent for 11 years.
- Carol Mather was an officer in David Stirling's SAS during WW2, in the same group as Stephen Hastings MP. See Cowles (1958) p191
57. Printed in *Searchlight* 21

58. Nugent and King (1879) p 97. Nugent and King also claim that Civil Assistance's Council split over the breakdown, several members leaving to join NAFF.

59. On Airwork see index references in Bloch and Fitzgerald (1983)

The Cayzers, father and son, own the firm Davidson Park and Speed, part of the clandestine South African supply network analysed in the *Guardian* 27 March 1984

60. *Daily Express* 18 July 1976. Reprinted in *Searchlight* 27 and discussed in *State Research* No 2

61. *New Statesman* 20 February 1981. The source for this story is ex (?) MI6 Lee Tracey. It was Tracey to whom Gordon Winter passed a copy of his dossier on Thorpe-Scott. The Neave story had reached the *New Statesman* before this report.

62. Winter (1981) p 383

63. *ibid* Ch. 27

64. *ibid* pp 392-3 At this point another interesting little connection arises. Lord Avebury (formerly the Liberal MP Eric Lubbock) had headed a fund to raise money for Peter Hain's defence. On the psyops target list (see appendix) Avebury appears with the initials PHDF after it - presumably Peter Hain Defence Fund. The 'Hain Defence Fund' is, we assume, one of the 'unacceptable organisations' Wallace refers to - unacceptable to MI5, that is: the psy ops target list is theirs.

65. Inter-City Research, said to be funded by Inter-doc (see appendices for piece on Inter-doc) *Mole Express* (Manchester No 28 1973 now defunct). There is also a brief mention of it in Knight (1982) p 41

66. About Self-Help there is very little reliable information. What there is, try *Searchlight* No 28 and *New Statesman* 18 December 1977

This might be a suitable place to remind readers that *Searchlight* is run, if not by, then certainly with the co-operation of, MI5. This was made plain by the 'Gerry Gable memo' mentioned in the appendix on FARI. Once that is read, a look at *Searchlight* suggests immediately that only Special Branch/MI5 have the resources to produce the kind of detailed information on the neo-fascist right that *Searchlight* consistently obtains and prints. The British left seem to have a curious case of amnesia regarding the Gable memo. (Gable is *Searchlight* editor.)

67. Indeed, if Winter's source was correct, a large chunk of the semi-clandestine activities of the right in the 1970s will have to be re-examined. (And, of course, it would immeasurably strengthen the thesis of this essay.)

68. Information from Barry Penrose.

The National Association for Freedom

As they drifted out of the press, GB 75 and Civil Assistance were replaced by the National Association for Freedom (NAFF) as the public focus of right-wing activity. NAFF's inaugural meeting was held on July 19 1975 (69), and preparations must have been going on for some time before that. Little has been written about those early days but at a NAFF meeting in August 1975, the ubiquitous Chapman Pincher addressed "30 senior industrialists and businessmen" on "the grave dangers facing Britain." (70)

One of NAFF's leading figures, John Gouriet, soldier turned banker, said of the climate at that time:

"We felt that 1975 and the years that followed were really a watershed in British politics - we had to decide which way we were going to go: down the slippery slope towards communo-socialism (sic) and a satellite state of the Soviet Union at its worst, or were we going to claw our way back." (71)

Peter Dunn, one of the earliest left-wing commentators on NAFF, suggested that the presence of Aims of Industry's Michael Ivens at these early meetings shows NAFF's "real origins" to be "a grass roots branch of Aims of Industry, capable of attracting recruits who might have been deterred by Aims' 'big business' image." (72) This analysis is shared to some extent by Neil Nugent who prefaces his study of NAFF - the best one to date - with quick resumes of other 'freedom groups': Aims, British United Industrialists, the Economic League, the Institute for Economic Affairs, the Society for Individual Freedom, Edward Martell's mid-sixties Freedom Group and Self Help. (73) While NAFF can be said to have grown out of these groups the implied continuity is misleading. What does the Institute for Economic Affairs, a private think tank for the classical liberal economist hold-outs in the post-war era of Keynes, have in common with a Tory Party money 'laundry' like British United Industrialists, or a private anti-left, anti-union outfit like the Economic League?

Nugent's analysis fails most seriously in completely ignoring the military/intelligence input into NAFF. At various times NAFF attracted to its Council Robert Moss and Brian Crozier with links to CIA and MI6 via Forum World Features and ISC; Stephen Hastings MP (B), ex-MI6; Sir Gerald Templer (who was NAFF chair at one time and, as we showed above, played a role in the formation of Civil Assistance) (74); Sir Robert Thompson (B) who worked with Templer during the Malayan insurgency and who might claim to be Britain's leading counter-insurgency expert; Joseph Josten, Director of the Free Czech Intelligence News Agency (presumably funded by MI6) which played a role in the anti-Labour Party operations (see below); and W. E. Luke (B) and Hugh Astor (B) both with war-time experience in MI5.

Indeed, these intelligence links to NAFF were made quite open by NAFF being based at one time, and using notepaper headed by Kern House, the headquarters at one time of the CIA's front for Forum World Features. The spook input was increased with the

February 1979 appointment of Derek Jackson as NAFF (renamed Freedom Association: from NAFF to FA!) campaign director. Before joining NAFF he spent the previous 8 years in military intelligence. Jackson joined Charles Good, Freedom Association's Executive Director, who came after a long career in the military police. (75)

Also on board were a group of right-wing Tory MPs - Jill Knight (see Note 56), Winston Churchill (and Hastings, mentioned above), all from the Monday Club - and David Mitchell, Rhodes Boyson and Nicholas Ridley, these last three to hold positions in Mrs Thatcher's cabinets. International connections were represented by the presence of three members, or ex-members, of the Bilderberg Group - Sir Frederick Bennet MP, Sir John Foster QC (ex MP) and Paul Chambers, ex head of ICI. (76)

With the usual representatives from the employers who fund right-wing groups in Britain - Taylor Woodrow, Phoenix Assurance, for example - and the employers' organisations like Aims, Economic League and the National Federation of Building Employers (for whom Norman Tebbit was working at the time), NAFF was, in effect, a gathering of the clans of the right, a pooling of the energies of some of the most active right-wing groups and individuals in Britain during the first half of the 1970s. (77)

Or so it looks on paper. But there are problems here. We talked to one of the people who worked for NAFF for a couple of years after its foundation and who was around in the circles from which it emerged. His 'insider' version of NAFF (FA) is rather different.

According to him the impressive list of names on NAFF council was largely a 'notepad job' - an impressive list and little more. The full council rarely, if ever, met. An inner core - Robert Moss, John Gouriet, Norris McWhirter and Michael Ivens of Aims - took most of the decisions. In this account NAFF(FA) was just as (ordinarily) chaotic and inefficient as most other essentially voluntary organisations: there was more talking than anything else. Much of the existing information on NAFF's most famous exploit - their involvement in the Grunwick affair - is false. Self-Help, the earlier Ross McWhirter-Lady Jane Birdwood outfit, sometimes credited with the crucial strike-breaking mail delivery for Grunwick, 'Operation Pony Express', had nothing to do with it. It was the work of NAFF members. And so on. (78)

We do take the point: it all looks more impressive, more cohesive, than it actually was; the connections actually mean less than they seem to. (79) And yet ... Agreed that X and Y - say, in this case, Robert Moss and Sir Gerald Templer - sharing the same letterhead may tell us very little. They may never have met. But they are still sharing the same letterhead and have, at minimum, been persuaded to let their names be used by the organisation. What we are trying to describe in this essay is a *network*; and while we expect members of a network to agree broadly and stay in touch, we don't expect to find them all gathered together in the same room very often, if ever.

A network: a group of persons constituting a widely spread organisation and having a common purpose. (Chambers Dictionary).

One of the conclusions to be drawn from this essay is about networks. One common response to the delineation of a network is to say, "Yes, all that is interesting, but where is the actual transmission of power?" To which we would argue - and this is the

only claim we make which might be called 'theoretical' - that the network *is* the power. A network of people who are, elsewhere, powerful, *is per se* a powerful network. And the one we are trying to describe in this essay included cabinet ministers, senior military and intelligence figures, senior industrialists, representatives from the employers' organisations, senior money lenders, and, eventually, a Prime Minister.

NAFF pulled together all the elements of the previous networks; the spooks, the propagandists, the anti-union outfits; and - and this is the difference between NAFF and its predecessors - it brought in a group of Tory MPs with connections all the way to the top of the post-Thatcher Tory Party. Mrs Thatcher had connections to NAFF council members through Robert Moss (who wrote speeches for her), through Boyson, Ridley and Mitchell (who became Ministers under her) through Winston Churchill MP - a front bench spokesman - and through the National Federation of Building Employers (who employed Norman Tebbit during 1975/6).

NAFF was formed just after Mrs Thatcher became leader of the Tory Party. It is difficult not to view it as essentially formed around her. In its various forays into industrial disputes it certainly acted as a stalking horse for some of the anti-union policies which are now an integral part of 'Thatcherism'. NAFF's role in the 1977 Grunwick dispute in particular now looks very much like a forerunner of the Thatcher government's confrontation with the National Union of Mineworkers. NAFF demonstrated that the combination of the law courts, the police and a strike-breaking transport system *could* defeat the left. (80)

And to this group Mrs Thatcher duly gave her public blessing, appearing as the guest of honour at NAFF's inaugural subscription dinner in January 1977. (81)

NAFF's funding still looks mysterious. *Labour Research*, the most reliable source of information on the funding of the right over the years, had never found much in the way of open donations from British companies. Aims of Industry gave some 'seed money' in the early days and we understand that one or two of the traditional supporters of right-wing groups chipped in. The publicity generated by NAFF's intervention in the Grunwick dispute brought in a lot of small donations. (82) And that appears to be that - in our view not enough to fund the legal activities that NAFF embarked on. The early use by NAFF of Kern House is suggestive but we have no evidence that Kern House boss, Richard Mellon Scaife, or the CIA, for which he fronted, ever supported NAFF.

Like NAFF, Mrs Thatcher was, and remains, anti-socialist first and foremost. About this she was nothing if not open. In a speech to the Bow Group in 1978 she said that of the three roles of the state *the first* was "to defend the population against the *enemies within* and without and to act as the force behind the law." (emphasis added) Arthur Scargill and the NUM took on a woman leading an anti-left Jihad, for whom the NUM (qua 'communists') was - literally as well as symbolically - the enemy within. (83)

69. Letter from Aims boss Michael Ivens in *New Statesman* 29 July 1977. The basic NAFF anthology is Watkins (1978) with pieces by Churchill, Gourier, Norris McWhirter, Moss etc. The intellectual standard of the group is stunningly low. Also worth a look is Cormack (1978) with contributions from Reg Prentice, Paul Johnson, Lord Chalfont. In the Watkins book authentically

unintelligent people are unintelligent. In the latter some quite bright people do their best to turn their brains off.

70. *New Statesman* ibid

71. Whitehead (1985) p 213

72. *New Statesman* ibid

73. The connections within the right are just as intricate, and go back as far as those on the left. Briefly Features Editor of Martell's *New Daily* in the 1960s, was Geoffrey Stewart-Smith (see appendix note on FARI) (*Guardian* 6 June 1978) Martell really deserves more attention than he seems to have had, forming, as he does, a bridge between the sixties and the groups like NAFF in the '70s. There is an outline of his activities in Nugent and King (1979) pp80-83.

Self-Help appeared on the fringes of the recent miners' strike. See for example, *Guardian* 14 November 1984.

74. Templer's connections with *domestic* anti-communism go back to his membership of the 1961 committee under the Chairmanship of Lord Radcliffe which reviewed security procedures for the civil service. (i.e. how to keep the reds out of the civil service.) (Pincher 1978 p 335)

75. *State Research* No 11 p 76

76. At the original 1954 meeting of the Bilderberg group were Colin Gubbins, wartime head of the Special Operations Executive and, in our context, a member of the Resistance and Psychological Operations Committee (see above); and Antoine Pinay, figurehead of the 'Pinay Circle' (see appendix on ISC). On the Bilderbergers see Eringer (1980)

77. Not everyone wanted to join the party. The National Association of Ratepayers Action Groups, having declined to join Sir Walter Walker, declined to join NAFF; as did the National Federation of the Self-Employed who cited "the extreme political views of your organisation" as the reason. (Nugent and King 1979, p 97)

78. We can't identify this individual, not because there's anything to hide, or that s/he is unwilling to go on the record. Just that s/he would only be quoted if s/he could see what it was we had used of our conversation. And as s/he was just leaving the country for a while, we were unable to get the copy to him/her. From previous experience we have no reason to doubt the veracity of his/her account.

The most striking contrast between this participant's version of NAFF and the one we found in print concerns 'Operation Pony Express', the removal and posting of the backlog of mail at the blockaded Grunwick factory. According to Dromey and Taylor (1978) this operation involved 150 vehicles and 250 people (p144). Our source, who took part in the operation, says it was 2 lorries and about 45 people, a 'seat of the pants' operation.

Another version of Grunwick, Rogaly (1977) describes NAFF as "essentially a collection of outsiders". Outside what?

79. Other organisations which look insignificant but turn out to be powerful might include the Labour Co-ordinating Committee in its early days.

80. A brief account of NAFF's legal activities against the unions is in *Labour Research* August 1977

81. Nugent and King (1979) p88

82. *ibid* p 96 and confirmed by our source on NAFF.

83. It would be interesting to know if the National Union of Mineworkers' leadership had internalised this. No wonder that recent reports of Ian MacGregor's memoirs suggest that, from the Government's point of view, the NUM contact with the Libyans seemed like the turning point. All their wildest imaginings about the NUM must have been confirmed at that point.

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Destabilising the Wilson government 1974-76

1975, the year that saw the formation of NAFF, was also the second year of an unprecedented smear campaign against the Labour Party, and, to a lesser extent, the Liberal Party. The major target of this campaign, and as far as we are aware the only senior politician who has been willing to talk about it, is Harold Wilson.

Wilson spoke most extensively to the journalists Penrose and Courtier (Pencourt). Their book, *The Pencourt File*, appeared almost two years after Wilson's original public charges about MI5 and the South Africans, and the expanded version of Wilson's beliefs it contains has been virtually ignored. (84)

In conversation with Pencourt in May 1976, Wilson said, *inter alia*; he was concerned about the relations between MI5 and the Prime Minister's office; that there were links between his political enemies and MI5; that individuals in MI5 and MI6 had contributed to the (press) smears; that MI5 had spread stories about 'No 10 and the communist cell'; that MI5 was part of a wider well orchestrated campaign against him and the Labour Government; and that he had received a kind of confirmation of all this from both Maurice Oldfield, head of MI6 and Michael Hanley, head of MI5. (85)

It is now quite clear that Wilson was correct. What isn't clear is how much he actually knew and where he was getting his information from. Wilson's central claim about MI5 was confirmed by Chapman Pincher in 1978:

"the undermining activities which Wilson complained of were not only genuine but far more menacing than he revealed. Certain officers, inside MI5, assisted by others who had retired from the service, were actually

trying to bring down the Labour Government."

(Pincher actually goes some way towards admitting that he was a participant in this, claiming to have discovered it "by questioning witnesses and through personal involvement in certain secret episodes.") (86)

Colin Wallace, the former Northern Ireland British Army psy-ops expert, has written in one of his accounts of this period:

"Information supplied by the CIA to the Security Services (ie MI5) was used to justify a number of in-depth investigations into Harold Wilson's activities and those of other Labour MPs/supporters to find out if sufficient 'hard evidence' could be gathered to wreck the Labour Party's chances of gaining power ... When the investigations failed to uncover anything of value, elements within the Security Service, supported by others in Whitehall including former members of the Intelligence and Security Services, embarked upon a disinformation campaign to achieve the same objective." (87)

From Wallace's account and other accounts of this period written by Chapman Pincher and Richard Deacon, both of whom had close connections to the British intelligence services, the anxieties about Harold Wilson seem to have been:

1. He was too close to Israel at a time when the 'oil weapon' was in the hands of the Arabs. (88)
2. The Labour Party in power might cut defence spending, and thus, perhaps, spending on the intelligence services
3. Wilson was too close to certain Eastern Europeans e.g. Rudi Sternberg. (89)
4. Anxieties about possible Labour policies towards Rhodesia and South Africa.
5. Fears that Labour would alienate the CIA and NSA upon whom the British intelligence services depended for much of their technical expertise and some finance.

Thanks to Pincher, we have most of this from the horse's mouth. Pincher describes, without quoting directly from, a report, probably originating with MI5, on surveillance of Wilson during January and February 1974:

"... concern about his pro-Israeli stance ... anxieties that a new Wilson government might increase trade with Russia, leading to greater opportunities for KGB activity in Britain would enforce reductions in the Secret Service ... (the report showed) strong political overtones showing that the author ... was opposed to Wilson's re-election as Prime Minister. " (90)

Colin Wallace's account of this period states that the disinformation campaign referred to above, included spreading a number of stories. We have put Wallace's version of each of these, in his own words, at the head of each of the succeeding paragraphs, with such evidence as we have managed to find to support it beneath. (91)

(a) Marcia Williams' two illegitimate children (copies of birth certificates supplied).

This crops up in Roth (92) who attributes it to 'Marcia's enemies in the Parliamentary

Labour Party'. We believe that to be a euphemism for the late George Wigg, another person who was, as they say, 'close to MI5'. (93)

Pincher attributes the story and the tracking down of the birth certificates to a former campaign manager for Wilson, William Gaunt. (94). Pincher adds that at the time of Watergate (1973? 1974?) "Tory MPs were promoting the idea that Wilson faced a 'babygate', noting that "the Tory leadership had been given full information about the problems presented by the birth of two children to Marcia Williams" before the election in February 1974. (95) The story was being considered for publication by Pincher's paper, *The Daily Express*, in April 1974, and no reason has, to our knowledge, ever been given as to why the editor flunked running it at the last minute. (96)

(b) MI5 alleged that Harold Wilson had refused to allow them to carry out 'positive vetting' on Marcia Williams because it would have shown that she was a communist agent.

Pincher notes "It was also widely believed that there had been problems, because of this love affair, over Marcia's positive vetting for secret documents." (97) In *The Pencourt File* Wilson is quoted as saying "Word ... was also put out that (she) had not been positively vetted. She was said to be a security risk... Wilson was certain that MI5 were responsible for spreading the rumour" (98)

In Pincher's version this affair is linked in with a series of charges made by the widow of Wilson's former Principal Private Secretary..."an alleged account of how Halls (the PPS) and other civil servants had been required to issue some sort of waiver over Marcia's second positive vetting in 1969 when she was scared of having to reveal the existence of the children to the security people." (99) (Hall's house was one of the places burgled in the spate of break-ins suffered by Wilson and his associates. This is discussed below)

It is possible that Marcia Williams did, indeed, refuse to undergo a second positive vetting. Joe Haines, Wilson's press officer at the time, states flatly that this is the case. (100) If this is true - and Haines is hardly a dispassionate source on Williams; he disliked her intensely - then the disinformation was the explanation of the refusal to be vetted, the substitution of 'communist agent' for 'was keeping secret her two children'.

(c) There was a KGB cell in No 10

This story doesn't seem to have reached the press in any form but it was floating around the circles we are examining. General Sir Walter Walker asked Pencourt in 1976 if they were aware "that the former Prime Minister was a proven communist?" (101) The actual 'communist cell' story was recycled by Chapman Pincher at a dinner party. Unfortunately for Pincher, the historian Martin Gilbert was present and informed Wilson. Pincher acknowledges that he was the journalist concerned (102) and admits speaking of allegations re Marcia Williams' vetting, Marcia's children and the land deals story (discussed below) but says nothing about the 'KGB cell' story. (103) Pincher also adds, in his account of this, that "he had the documents to prove them" (ie the three claims above).

Pencourt report Wilson saying that it was MI5 and MI6 "which were supposed to have 'hard' evidence that the Prime Minister and Lady Falkender (Marcia Williams) along

with other Labour ministers, had formed a 'communist cell' in 10 Downing Street." (104) Wilson adds, interestingly enough, that (somehow) he knew that Winston Churchill MP had heard the story.(105)

(d) Harold Wilson and Marcia Williams had visited the Soviet Union and were KGB controlled.

Winston Churchill MP hints at this to Pencourt: "The question that does arise in many peoples' minds is the fact that he has paid no fewer than 19 visits to the Soviet Union. And that does provide the other side with certain opportunities." (106)

Sir Walter Walker told Pencourt that "he had seen filmed interviews with Harold Wilson on his return from official visits to the Soviet Union... (and he) had been visibly shaking and Sir Walter felt that was a clear indication that Harold Wilson had been compromised in some way by the KGB." (107)

(e) Harold Wilson was the father of Marcia's children

This is the obvious extension of the two children story and we have found it mentioned only in Roth. (108)

(f) Hugh Gaitskill was murdered by the KGB to bring Harold Wilson to power.

This cited by Pincher as originating with the defector Golitsin (109) and "the possibility that he (Gaitskill) was assassinated has never been entirely ruled out as far as MI6 is concerned." The idea recurs in Pincher's *Their Trade is Treachery* (p64) and *Too Secret Too Long* (p612). Richard Deacon rejects the Gaitskill story completely. (110)

(g) Harold Wilson's KGB controller was Dick Vaygauskas

Vaygauskas was an acquaintance of Lord Kagan, the Gannex coat manufacturer knighted by Wilson. He played chess with Vaygauskas. Kagan admitted the relationship but denied it had anything to do with Wilson. Interest in Vaygauskas came from another defector, Lyalin. (111) . Wilson said later that Kagan had let Vaygauskas approach him as part of a scheme to assist Sir Arthur Young investigate Soviet commercial espionage. Young had been placed in Kagan's company as 'cover'.

(h) Harold Wilson was involved in a series of corrupt land deals

This presumably refers to the 'Wigan Alps' and Ronald Milhench stories, both of which are so well known as to need no rehashing on our part. Joe Haines, then Wilson's press secretary, says 6000 column inches were devoted to the stories by the Fleet Street press. (112) The 'Wigan Alps' story was offered to the *Daily Mail* and the *Guardian* just before the general election of February 1974. (113)

(i) Allegations of income tax fraud by Labour ministers

Once again this surfaces in Pincher (114) in "two long letters ... from a man claiming to be an officer of an American intelligence agency... full of the most intriguing details of American and KGB operations against British politicians and trade union leaders and allegations of tax evasion by (Labour) ministers and overseas accounts."

(We don't know whether Pincher ever ran that in the *Express*. Indeed, we don't know how much of any of this appeared in the tabloid press. We didn't have time to attempt to check two years back issues of the *Mail*, *Express*, *People* etc.)

(j) Over 30 MPs were active communists

Versions of this were used by Stewart-Smith in his 1974 pamphlet (see above); by Stephen Haseler and his Social Democratic Alliance (115); and by Tory MP Ian Sproat. Pincher quotes from an 'intelligence report' which states that "at least 59 serving Labour MPs have current or recent connections with Communist, Trotskyist or other Marxist organisations" (116), and from a 1977 G.K.Young letter claiming "at one point under Wilson there were 5 Ministers of the Crown whose membership of the CPGB is not known to have been renounced." (117)

(k) Leader of the Labour Party (Edward Short's) 'secret' bank account in Switzerland

Pincher received this forgery in July 1974, as did other journalists and a number of MPs, including Eddie Milne. Milne was an intelligent choice - he hated Short.(118) The story - in the form of 'Labour Minister in forgery shock horror' - was run by the *Daily Mail* in July 1974. Pincher attempts to convince us that it would have been the work of the KGB!

In his statement to the Royal Commission on the press (119) Harold Wilson said of this period:

"these baseless enquiries ranged, as far as the Labour Party front bench were concerned, over the affairs of Mr Poulson, the Zurich Bank affair, T. Dan. Smith, the commercial interests of Labour MPs when they were in opposition (and when they were in opposition they aroused no interest) and supposed extra-marital adventures of some of them."

It is worth noting here that Wilson and the people associated with him experienced an extraordinary number of break-ins. In that statement to the Royal Commission on the press Wilson listed "8 burglaries of premises occupied by my accountant, my solicitor, and my former principal private secretary"; and in a postscript he described 7 burglaries at the homes of members of his staff in the 3 months before he announced his resignation (two of which may just have been 'ordinary' burglaries), two more at the home of Marcia Williams, one at his home in Buckinghamshire and one at the contracts office of Yorkshire TV a week after it was announced that he was doing some interviews with David Frost for YTV.(120)

There is one other anti-Labour operation which Wallace seems unaware of, the MI5 claim in 1974 that Judith Hart, then Minister for Overseas Development, was a security risk. This happened just before the Parliamentary recess in Summer 1974. MI5 had, apparently, confused Judith Hart with another Hart on their files. Pincher, rather charmingly, comments on this that he found it hard "to accept that an organisation as generally efficient ... as MI5 would make such blunders." (121)

The operation against Hart was almost certainly not a 'blunder' at all, for she is on a list of 'psy-ops' targets supplied by Colin Wallace. (See appendices). Other MPs on the list we contacted also experienced curious events during 1974. Kevin McNamara MP received a series of threatening calls and letters, climaxed by the interception by the

Post Office of a dummy bomb sent to his home which the Army blew up with a controlled explosion. Stan Thorne MP received a death threat from a group calling itself 'The New Elizabethans' (sic) (122)

Even without Wallace's 'insider' knowledge this catalogue of smears, rumours and gossip is rather more than "the prolonged press campaign against his political secretary Marcia Williams" referred to in *The Writing on the Wall*. (123) From a former Labour MP, Phillip Whitehead, that really is a bizarre dismissal of an extremely long and detailed attack on the Labour Party and its leader. But not atypical. There seems to have been a general feeling that Wilson was just plain paranoid about the press. This view is sustainable only by not looking at the evidence.(124)

84.Pencourt included a statement from Harold Wilson effectively denying their version of what he had said. It would be interesting to know why Wilson backtracked.

85.Pencourt (1978) pp 8, 9, 228.

86.Pincher (1978) p15

87.All quotations from Wallace are taken from documents of his in our possession. The references to CIA information on Wilson almost certainly refers to information derived from James Angleton then head of CIA counter intelligence. See *Observer* 22 July 1984.

88.See Pincher (1978) ch. 36

89.Pincher (1978) p 257. See also Deacon (1979) ch. 18 which includes some curious material on aggro between Sternberg and Joseph Josten (on whom see NAFF section above and the section on Frolik).

The same theme occurs in Stewart-Smith's 1974 *Not To Be Trusted*

90.Pincher (1978) pp 30/31

91.Please note that we have not attempted to go through the tabloid press for this period where, we presume, most of these smears appeared if they appeared anywhere.

92.Roth (1977) p2

93.Wigg had developed a personal loathing for Marcia Williams which seems to have originated in jealousy as Ms. Williams usurped Wigg as the one with Wilson's ear. This animosity seems to have been converted into full-blown paranoia about Williams. But Wigg had spent many years close to MI5 and his personal dislike of Williams must have provided fertile ground for MI5. (Indeed, if there was a spy in the Wilson entourage, as Pincher hints at in his 1981 novel *Dirty Tricks*, Wigg would be a candidate.) In a letter to us Andrew Wilson of *The Observer* wrote that in 1976, at the time of Wilson's charges about MI5, Wigg "made detailed accusations against a member of Wilson's

staff (presumably Marcia Williams) and grave insinuations about Wilson himself.... Wigg was then very highly wrought, to say the least."

In the first, pre-publication version of his autobiography, Wigg had included details of Marcia's two children and provided copies of the birth certificates. (Roth, 1977, p24)

94.Pincher (1978) p252

95.ibid p41

96.This is obviously the story hinted at in *Sunday Times* 14 April 1974.

97.Pincher ibid p41

98.Penrose and Courtier (Pencourt) 1978 p 10

99.Pincher ibid p45

100.Haines (1977) p218

101.Pencourt ibid p246

102.Pincher ibid p43

103.ibid p 43/44

104.Pencourt ibid p233

105.Pencourt ibid

106.ibid p233

107.ibid p246

108.Roth (1977) p2

109.Pincher (1978) p70

110.Deacon (1979) introduction pX

111.Pincher (1981) p214

112.Haines (1977) p202

113.Roth (ibid) p40

114.Pincher (1978) p192

115. See *Guardian* 10 and 17 November 1976. - Neil Kinnock features in one of the lists! Ian Sproat had formed a company with Robert Moss - see *Leveller* March 1977. Sproat's list was read in the House of Commons by Nigel

Lawson.

116. Pincher *ibid* p 28

117. *ibid*

118. Milne (1976) pp196/7

119. Printed in full in *The Times* 14 May 1977 See also, on the break-ins *Times* 20 December 1975 for some more details on the targets.

120. Then there is the question of the 'bugging' of Harold Wilson. Both Deacon (1979) and Pincher (78) claim that it did take place in some form. (see Pincher Ch 3, for example: 'Was No 10 bugged?') This account may be true. It may also be misinformation to conceal what did happen. In Pincher's execrable thriller *Dirty Tricks* (London 1981) an obvious 'Harold Wilson' figure is "revealed" as a KGB agent in No 10. This section appears (p56) in the mouth of the head of MI6:

"One of the best runs we ever had was in Harold Wilson's day. MI5 had a steady informer on the Downing Street staff and they used to send us copies of all his reports."

George Wigg must be a candidate for the role of MI5 informer inside No 10. See FN 93 above.

121. See Pencourt (1978) pp 235-9 on the Hart story; Pincher (1978) p7 for his comment.

122. Correspondence with the authors. We understand that Wallace has heard of 'The New Elizabethans' in the context of other 'funny' groups in Northern Ireland, such as 'The Covenanters'

123. Whitehead (1985) p 128

124. Whitehead actually mentions Edward Short's £250 from John Poulson without mentioning the fact that someone went to the trouble of forging a Swiss bank file. Whitehead throws away the line "a party which suspected a concerted attempt to thwart its election preparations" (p129) - suspicions, in our view, which were correct. In Whitehead's curious view of the 1970s this is less worthy of attention than the The Sex Pistols

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Marketing the dirt

Wallace states that these smear stories were distributed to news agencies including: Information Research Department, North Atlantic News Agency, Transworld News, Forum World Features and Preuves Information. (125)

Checking this claim would take years, as between them these agencies must have distributed material to hundreds, possibly thousands of newspapers. However one fragment of substantiating evidence is available concerning one of them, Transworld. On May 19th 1976 the *Daily Telegraph* carried a report from Washington headed "Campaign in US to smear MPs". The report said:

"Persistent efforts have been made in recent months to discredit leading members of the three major British political parties by planting derogatory stories about them on news agencies in Washington, it was claimed last night. "

Dr Edward von Rothkirk of Transworld was quoted as having received derogatory material on eleven MPs - a Conservative (Edward Heath), two Liberals (including Jeremy Thorpe) and eight Labour (including Wilson).

Rothkirk told Pencourt that the "really heavy approach was done back in '75" but that he "had become suspicious. Nobody could quite understand why some of the material was offered for nothing ... they were far more interested in knowing that their material might go out on the international wire services. " (126)

The material started arriving in September 1975 and included some of the Norman Scott-Jeremy Thorpe correspondence. Some of those offering the material were English, others South African. (127) Just after Pencourt interviewed von Rothkirk, Transworld was burgled and the smear material about British politicians taken. (128)

Amidst the debris of this MI5-inspired campaign there were the ramifications of the allegations of the Czech defector, Joseph Frolik. Frolik defected to the US in 1969 - while the Labour Party were still in power. Among his allegations was a list of Labour party members and trade union officials who had either been agents of the Czech intelligence service or had been 'targets'.

Frolik named Labour MPs Will Owen, the late Tom Driberg, the late Sir Barnett Stross and, most interestingly, John Stonehouse MP - at the time a member of the government. The names were not reported in the British press at this time.

Owen was eventually prosecuted (and acquitted); and Driberg, as we now know, was working a complex two-way game with MI5 and the KGB and seems to have been left alone because of this. Frolik publicly named Stonehouse after the latter's fake death. Harold Wilson told the House of Commons that he had confronted Stonehouse with the Frolik allegation in 1969 (before it had been made public in this country) but Stonehouse had denied it and there had been insufficient evidence to bring a prosecution.

The Frolik material is interesting in two ways. First, it provided apparently real, substantiated evidence to the right of their belief that the Labour Party and the British trade unions were riddled with communists and agents. Secondly, the Frolik allegations illustrate part of the right's network.

In 1976 Frolik named a Minister in the Callaghan government as one of the reasons he was afraid to visit Britain. This information was conveyed to Joseph Josten, Director of the Free Czech Intelligence News Agency, and, at the time, a member of the Council of the National Association for Freedom (NAFF). (129) Josten had also been

the channel for the Stonehouse revelations in 1974, after the latter's 'fake' death.(130)
(Josten also helped Frolik write his memoirs. (131)

Josten passed Frolik's claims about the Minister in the Callaghan government to Stephen Hastings (ex MI6) and, like Josten, a member of the NAFF council. Hastings duly wrote to Callaghan about it.

In December 1977 Hastings named some of the names Frolik had given under protection of Parliamentary privilege. In this instance Hastings had received the information from Chapman Pincher who had "secured copies of tape-recordings of private interviews which Frolik had given in Washington." (132) Hastings named Stonehouse and four union leaders who were 'prime targets': Jack Jones, Ernie Roberts (later an MP), Hugh Scanlon and Lord Briginshaw. Hastings also named the late (Lord) Ted Hill as a "secret communist."

This was the second attempt by Pincher to use the Frolik allegations. In 1974 Pincher had sent information from Frolik to what he calls "a patriotic organisation called Aims for Freedom and Enterprise" (aka Aims of Industry). Aims duly wrote an open letter to the Home Secretary about it which made the front page of *The Times* just before the election of February 1974. (133)

As a tailpiece to this, Pincher was involved in a curious episode with another Czech defector called August. A former MI5 officer called him and gave him "most intriguing information about an MP". Pincher was told that August was coming to Britain and that he would tell Pincher about "the espionage activities of a well-known Labour MP, an officer of the KGB". Alas for Pincher he never got to meet August and comments:

"Clearly MI5 wanted me to know that he (August) was coming. Why? Could this have been part of the MI5 faction trying to undermine Wilson by showing that one of his Ministers" - note: a Minister - "had been a spy?" (134)

125. On IRD, FWF, see appendix. Preuves Information was the French version of FWF. North American News Agency (NANA) looks like an intelligence front, probably for the CIA. It was owned by Ernest Cuneo, an American political fixer, partner in the law firm of the legendary fixer Tommas Corcoran - 'Tommy the Cork'. Cuneo acquired NANA just after WW2 (after working in US intelligence) and appointed Ian Fleming European Vice President. Fleming had set up another news agency, Mercury News, a department of the Hemsley newspapers group in 1945. Mercury employed a number of people with intelligence experience in WW2 including Anthony Terry, Stephen Coulter and Donald McCormick (aka 'Richard Deacon'). Mercury might be another 'front'.

NANA was cover for two US agents we know of: Virginia Prewett who worked with 'Maurice Bishop' (see *Lobster* 10), and Patricia McMillan, who was NANA correspondent in Moscow in 1962 when she interviewed the 'defector' Lee Harvey Oswald. In the early 1960s NANA was severely criticised by an American Senate Committee for using pro-Formosa material written by a paid agent of the Formosan government. (See Scott (1978) p 373)

On Fleming and NANA see Pearson (1966) pp219, 247, 259, 303.

126.Pencourt (1978) p303

127.ibid p303/4 Gordon Winter acknowledges being one of the conduits for the Thorpe-Scott material, though not to Transworld, as far as we know. See Winter (1981) ch. 28

128.Pencourt ibid p409

129.Pincher (1978) p115

130.ibid; and see also Deacon (1979) p 224. Josten died 1985

131.Frolik (1975)

132.Pincher ibid p139

133.Pincher ibid p138. *Times* 25 January 1974

134.Pincher ibid p115. August's story appeared in 1984 (August and Rees 1984). Rees wrote 'Conflict Studies' for ISC. Publisher of the book was The Sherwood Press, run by Brian Crozier. Small world isn't it?

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Psy ops in Northern Ireland

The campaign to discredit the Labour Party throughout 1974-76 extended across the Irish Sea to Northern Ireland. It began almost immediately after the election of February, the Ulster Workers' Council general strike of May providing the major opportunity. Called to bring down the power-sharing executive, the alliance of middle-of-the-road Protestants and Social Democratic and Labour party members created by the Heath government, the strike was used by MI5 and the Army as part of the destabilisation campaign.

The Ulster Workers' Council strike was an acute embarrassment to the British Army. As 'Andrew Sefton', the pseudonymous Army officer pointed out (135) the one thing the Army didn't want was to end up fighting a war on two fronts, and had thus formed an alliance with the Protestant community. (Which was, in the beginning, at any rate, 'loyal'.) When the Army met the Ulster Workers' Council and its paramilitary allies on the streets and at the barricades, they were meeting people who were both political and, as Fred Holroyd has shown, military allies. Army co-operation with Protestant paramilitaries ran from blind eye turning to outright military cooperation. (136)

The Army and the Protestant community also shared a distrust of the Labour Party: the Army because it suspected it of being comm-symp; the Protestants because such support as the Catholic community had received before 1969 from the mainland political parties had come mainly from the Labour Party. (137)

As the Ulster Workers' Council (and its paramilitary 'enforcers') brought the province to a standstill the Army's advice to Merlyn Rees the Secretary of State was that "any attempt to use the Army to run the essential services under the conditions then prevailing would almost certainly make the situation worse." (138)

In fact, as it is now quite widely recognised, the Army essentially refused to be used against the strike, even though they could have broken it in the first couple of days before the paramilitaries had 'persuaded' people to obey the strike call. (139)

Assisted by the intelligence services, the Army:

- misinformed Harold Wilson and Merlyn Rees about what was happening in the early days of the strike; (140)
- fed criticism of Rees to the press; (141)
- dragged its feet sending in reinforcements; (142)
- tacitly co-operated with the strike. (143)

In the background, MI5, which had been working against the Protestant political alliance opposed to the power-sharing executive, changed its policy. 'John Shaw', the work-name of one of the MI5 officers with whom Colin Wallace was working in the black propaganda operation, Information Policy, told Wallace that "London had had a change of mind and now wanted the strike to succeed." This is explained by an unnamed intelligence officer quoted by Bloch and Fitzgerald:

"Some of us also hoped that the strike would make progress and Wilson would be defeated. We thought that if the Protestants won, Wilson would be discredited. And we hoped that if power-sharing failed then the UK population would say Ulster had had its chance politically and would advocate an all-out effort for a military victory." (144)

From the end of the UWC strike onwards the Wilson/Rees team in Northern Ireland was subjected to a sustained campaign of leaks and smears from the military/intelligence sources in the province. In one of his documents Colin Wallace listed some of these leaks. As we did above, Wallace's claim is presented first, such supporting material as we have found underneath it. (How many of these ops were Wallace's own work we don't know yet. Some of them certainly were.)

a. The release of internees by Merlyn Rees had led to the death of several members of the armed forces

Liz Curtis: "In July '74 reporters were given a briefing at Lisburn at which the Army blamed a recent upsurge of violence directly on the release of 64 internees ... Army intelligence had falsified figures in an attempt to change Rees' policy of phasing out internment." (145) Joe Haines, Wilson's press secretary, said of this incident: "We felt that elements in the Army were working against us". (146)

b. Reports of Wilson's planned peace talks with the Provisional IRA in December/January 1975 were leaked to the Northern Ireland Office to create a rift between Rees (who did not know about them) and Wilson.

Joe Haines again: "Dr. O'Connell (who had been the go-between the Provos and

the Government) then discovered that his second visit to London (by-passing Rees at the Provos insistence) had become known to civil servants in Northern Ireland within hours of his making it." (147)

- c. **IRA Doomsday plan announced by Wilson in the House was disinformation to force him to take a tougher line with the IRA. Plan was 'found' in a house at Malone Road, Belfast.**

Tony Geraghty: "The plan according to a British intelligence source was essentially defensive but Harold Wilson ... was influenced by an MI5 analysis of the IRA plan as an offensive one The seizure of the IRA 'doomsday' document gave MI5 an ideal opportunity to discredit the hypothesis that the terrorists were serious about a political deal. "(148)

Rees describes the document as showing "the true colours of the Provisional IRA." (149)

- d. **SAS in Ulster leaked to show that Harold Wilson had lied to the House of Commons**

This story - essentially that the Labour Government was exaggerating the numbers of SAS men they had sent to Northern Ireland - appeared in the *Daily Express*, courtesy of Chapman Pincher. It was discussed in *The Times* which commented that "the Opposition front bench and some Conservative back-benchers with unusually reliable military sources nursed suspicions on Monday that the Government had been more interested in public relations than a tougher military response in Armagh". (150)

- e. **Claims that the Labour Government had forced the Security Forces to grant the PIRA leader Seamus Twomey 'immunity from arrest'.**

David Blundy: "The Army was equally unhappy about the dialogue established by Rees between Northern Ireland officials and Provisional Sinn Fein....In early 1975 an Army Intelligence summary appeared...indicating that Seamus Twomey, head of the Provisional IRA, was not to be arrested if seen by the Army. Details were leaked to the press and the Reverend Ian Paisley." (151)

At the heart of the conflict was Army-MI5 hostility to the Rees-Northern Ireland Office-MI6 attempts to reach a political solution. The Army-MI5 believed that the ceasefire agreed with the Provos was simply a ploy to enable them to regroup and reorganise. (With hindsight it is clear that they were correct.) (152)

Rees' recent account of his time in Northern Ireland as Secretary of State is littered with the leaks and misinformation fed to the media, the Protestants and the Tory Party's right-wing against him personally and the Labour government in general. (153) The single most striking was a speech by the General Officer in Command (GOC) Frank King attacking the Labour Government's policies which 'accidentally' got reported in April 1975. This caused a furore in the House of Commons. King subsequently pretended that it had all been a mistake, that he was unaware of the presence of reporters at the meeting. This was clearly untrue: "He knew he was being reported because he spent some time chatting to one journalist." (154)

The one section of the military/intelligence operation of which he was nominally the political head that Rees is able to bring himself to be overtly critical of is the Army's Information Services - the source of most of the leaks and 'unattributable briefings'. (155) What Rees didn't seem to know then, and may still not know (156) - there is certainly no evidence in his book which suggests he knows - is that the Army Information Services at Lisburn served as the 'cover' for the psy-ops activities of Wallace and the rest of the Information Policy group. Wallace again:

"Information Policy activities were carried out at three levels of 'consciousness'. To the press it was a liaison section that provided a link between the Operations Network and the Press Room. At certain levels within the Security Services it was seen as a counter-propaganda organisation dealing in 'white' information. It did however have a third totally deniable role in which 'black' operations, popularly known as 'dirty tricks' were used.

Basically the main tasks of the Psy Ops unit were to:

- a. undertake operations which would act as a cohesive factor between the various elements of the Security Forces and the public - both in Northern Ireland and in the rest of the UK;
- b. undertake operations to discredit the paramilitaries and their supporters;
- c. undertake operations to cause dissention within the ranks of the terrorists and their supporters and separate them from their 'grass roots';
- d. undertake operations which would discredit organisations and individuals who, by their activities, were hindering the work of the Security Forces." (In the last category was the Labour Party.)

Wallace adds that "the 'covers' used in connection with I.P. were highly successful in that almost all of the 'dirty tricks' attributed to the Psy Ops unit by the terrorists and their supporters had nothing whatsoever to do with us. Most of the activities uncovered were 'freelance' or 'cowboy' activities carried out by Brigades or over-enthusiastic individuals without proper clearance. This situation changed, however, in 1974, when details of our activities were leaked to the loyalist paramilitaries by certain individuals at the Northern Ireland Office and in the Royal Ulster Constabulary.

Information Policy was largely a service mechanism, producing the material for, and implementing the plans of, other people. (It is this unique over-view of the whole range of operations which makes Wallace such a potentially extraordinary source.) One of the more spectacular of these plans bears directly on our narrative.

In early 1974, the MI5 officer 'John Shaw' commissioned Wallace to undertake a project "designed to cause dissention within the Loyalist leadership and thus avert the strike which was being threatened as a means of bringing down the power-sharing executive." Wallace was given (genuine) extracts from intelligence reports and was asked to "collate and write in the Ulster idiom, two or three 'personal' accounts by non-existent people giving details of the homosexual activities of well-known political figures and to link these activities to other political figures in London the object ... was to put pressure on a number of key people who might play a major role in the unrest."

Wallace began work on the project, 'Clockwork Orange 2', but after a short time 'John Shaw' told him to stop "because London had a change of mind and now wanted the

strike to succeed. "

"After the strike succeeded and the Executive collapsed, the project was reactivated with the aim of breaking up the power base which the Loyalists had achieved during the strike. I was supplied with further information which I was told to attribute to a prominent but unidentified political personality. The tone of the new project was very different from that of the previous one in that it was much more political in content and involved a number of Westminster MPs ... such as William Van Straubenze, Norman St. John Stevas and Edward Heath. Others were from the Labour and Liberal parties and included a mention of Jeremy Thorpe (this was long before the first allegations regarding his relationship with Norman Scott hit the headlines, and appeared to be based on Special Branch reports). Kincora featured quite prominently, not because of its importance but because it provided a local story link which could be quickly substantiated by an investigative journalist Among the new information which I received was a copy of a report which allegedly came from the RUC and which indicated that various people closely involved with the Reverend Ian Paisley were involved in, or aware of, the Kincora situation.

"This report listed a wide range of Loyalist politicians and other personalities, including Sir Knox Cunningham QC MP, Mr Clifford Smith, Mr David Brown (editor of the Rev. Ian Paisley's newspaper, the *Protestant Telegraph*), Mr Thomas Passmore and the Rev. Martin Smyth, both key figures in the Orange Order. There was also a fairly lengthy report written by an RUC officer on allegations made by one of the Kincora inmates. The new information included a variety of bank statements and other documents which purported to show financial transactions linking the Rev. Ian Paisley with property deals in the United States and Canada. 'John Shaw' told me that the documents were based on originals but that the figures had been 'doctored'."

At this point Wallace balked. "It was clear that I was being asked to undertake a 'black' operation without political clearance and directed at elected members of Parliament." Wallace's personal problems with the British state began here.

In July 1974, apparently as a result of dissatisfaction with the performance of the Army and Northern Ireland Office's Information Services during the Ulster Workers' Council strike, the Labour Government sent Michael Cudlipp to Northern Ireland as Information Co-ordinator. Wallace's account of this episode is fascinating and instructive about the internal politics of the time.

"When Mr Cudlipp's appointment was announced Intelligence Officers considered creating false 'traces' to block his employment on the grounds that he was a security risk. This plan failed because there was insufficient time to mount a proper operation. After he took up his post there was a concerted effort to try and ensure that he failed in his job. For example, there was relentless 'leaking' of information from NIO sources to show that he was in dispute with other senior officials. Any controversial plans which he put forward, or was associated with, were leaked at the earliest opportunity.

"At this time there was also considerable jealousy between the Army and the other government press agencies because the Army had an almost total monopoly over the supply of information to the press. Mr Cudlipp thought that the NIO should be the source of all authoritative statements regarding security - this was also a reaction to Mr Harold Wilson's belief that the Army and RUC had let him down in the propaganda war during the Loyalist strike. Quite clearly the Intelligence Services and the Army wanted to continue running their own press services but they also realised that they needed some form of political 'umbrella' for their psychological operations.

"Army HQ convinced Mr Cudlipp that he should get the Northern Ireland Secretary, Mr Rees, to issue an Information Policy Directive under his signature; this could also be used at any future date to claim a political 'approval' for any 'black' activity that went wrong. Of course what the Secretary of State thought he was approving/implementing by the Directive and what the Army and Intelligence services were planning were two different things. "

Information Policy was disbanded in 1976 (we think) after a series of complicated manoeuvres by MI5 which was trying to take over the entire Northern Ireland intelligence operation. This internecine struggle, about which we know relatively little, was extremely nasty. People got killed - 10 Army informants in a week after leaks from inside MI5. (157)

Captain Fred Holroyd and Colin Wallace, who refused to accept the new regime, caught it in the neck: Holroyd via an Army psychiatric ward into unemployment; Wallace, after an Army enquiry, eventually wrongly convicted of manslaughter, becoming the victim of a psyops campaign directed against himself. (158)

135. *Monday World*, Summer 1974

136. See Fred Holroyd in *Lobster* 10.

137. One of the groups 'unacceptable' to MI5 was the Campaign for Ulster Democracy (CDU). Several of those on the psy-ops targets list supplied by Colin Wallace in our appendices, were members of the CDU.

138. Rees (1985) p80

139. See remarks by Andy Tyrie acknowledging this in Whitehead (1985) pp 171-4

140. Nossiter (1978) p141; Rees (ibid) p78; Fisk(1975) pp 105-7

141. Fisk (ibid) p87

142. Fisk (ibid) p88

143. Fisk (ibid) p 240 and Bew and Patterson (1985) p 67

144. Bloch and Fitzgerald (1983) p 226
145. Curtis (1984) p 241 Also *Sunday Times* 13 March 1977
146. Haines in *Sunday Times* ibid
147. Haines (1977) p 137/8
148. Geraghty (1980) pp195/6
149. Rees (1985) p62
150. *Times* 14 January 1976
151. *Sunday Times* 13 March 1977
152. This was just a part of a struggle between MI5 and MI6. See appendices re 'MI5-MI6 wars'. This is an area we haven't attempted to cover adequately.
153. See Rees (1985):
- a. p57 "No sooner...than it was leaked from Army headquarters"
 - 136.p81 "...to find that my trip had already been announced on BBC news".
 - 137.p84 "talk about rows with the Army came from Lisburn".
 - 138.pp122/3 "low-level Army statement to the press from Lisburn".
 - 139.pp234/5 "back to leaks".
 - 140.p302 "more unattributable briefings".
 - 141.p306 "revelations in *The Times*".
 - 154. *Sunday Times* 20 April 1975
155. Rees (ibid) pp46/7, 51, 90
156. On the basis of two short notes from him, we can say that Mr Rees would reject *all* of our thesis, including the idea that MI5 were working against the Labour Party at this time.
157. Holroyd in *Lobster* 10; Geraghty (1980) p193
158. See Wallace appendix. Recent versions of Army misinformation on Wallace in Hammil (1985) and Pincher (1978) p197
- Hammil (p173): "Information Policy ... main tasks would be to issue facts on government policy and describe what the Army was trying to achieve. 'What we ended up with' said a senior officer some time later 'was a press officer who dabbled in things he should not have. He..was pursuing a sort of disinformation policy all of his own without checking with anyone.' "
- This line, the 'maverick, freelancer' line is also in Rees' book.

The central role of MI5

MI5's job is to prevent radical political change in Britain. It is tempting just to write 'prevent socialism' but its activities are wider than that, covering all manner of non-socialist activities, including the neo-fascist right. (159) But their primary job is to ensure that the left fails. MI5 is this state's defence against the British left. The spy-catching stuff, the counter-intelligence activities, are relatively unimportant, virtually a cover for MI5's domestic activities. (160)

It is easy to let the real weight of MI5's role slip by. MI5 is the very heart of it, the palace guard - literally and metaphorically. Harold Wilson's charges against the agency in 1976 were very serious business indeed.

In simpler times, back in the 1930s, the relationship between the British state's intelligence agencies and their masters in the Conservative Party was clearer. Joseph Ball, one of the major eminences grises of this country's recent history, managed to combine the roles of head of the Government's Intelligence Department and head of the Conservative Party's Research Department - then also essentially an intelligence operation. (161) And if the British population (and the left) of the time can safely be assumed to know nothing about the extent of MI5's activities, the British state didn't seem to mind telling reliable friends.

A recently declassified American document shows that in 1940 Sir Eric Holt-Wilson gave an unnamed American in the US State Department information about MI5's "central index of suspicious persons ... every person suspected of anti-British activity - a total of 4,500,000 names *freely used by British industry and government departments.*" (162) *In those days, lest we forget, MI5's concerns were Empire-wide.*

"Freely used by British industry and government departments". That was 1940. Can anyone show us when this changed before the 1970s? (163)

A little thought about who MI5 collects its information on 'subversives' for, who MI5's customers might be, produces only 3 candidates: the state itself, employers, and the Conservative Party. This is just obvious, an a priori political truth if ever there was one. In our view the onus is on those who would argue against it. (164)

Presumption on our part is not proof, however. Very little is known about domestic MI5 operations, Cathy Massiter's recent revelations notwithstanding. Such information as there is about post-war MI5 work is mostly the spy-catching trivia: Nigel West's book exemplifies this. (165) However, the odd fragment surfaces from time to time and here are a few of the more significant examples.

- An internal document from The Economic League leaked last year said flatly: "The flow of information to the Research Department prior to 1978 came from *London Region's contact with official sources.*" (emphasis added) (The possible significance of 1978 is considered below.) As the Economic League collects information on the left and unions, who could those 'official sources' be but MI5 and/or its assistants in Special Branch (166)
- The flood of information following the revelation of MI5 vetting within the BBC shows the Government Departments-MI5 link still going strong. (167)
- In 1981 Special Branch admitted passing information (and totally inaccurate

information, at that) to the firm Taylor Woodrow. And it is quite obvious from the context that the information must have been *sought* by Taylor Woodrow first. In other words, Special Branch were running security checks for a company. (168)

- *Time Out* obtained and printed a Special Branch report on a Scots trade unionist, James Hogg. The report had been addressed to MI5. (169)

We believe that virtually all the organisations which have been mentioned earlier in this essay - Common Cause, Economic League, Foreign Affairs Publishing Company, the Institute for the Study of Conflict - were receiving MI5 information on the British left during the early 1970s. When you look at their publications it is difficult to believe that any of them did the enormous amount of information gathering and collating contained in their publications for themselves.(170)

We know, can reasonably infer, from the leaked Economic League document, that they received their information from MI5 - and the League is by far the largest of these organisations, with the largest budget. And where would David Williams, editor of the Common Cause quarterly bulletin, get information like this, except from 'official sources':

"a breakdown of the Communist Party's 42 member executive, its 16 member political committee, its full-time staff, the district committees, the executive committee's seven sub-committees, the members of the various 'front' organisations"; not to mention the information that "Mr Dezo Kiss, the Counsellor of the Hungarian Embassy, plays a major role in assisting the development of contact between members of such fronts and Eastern European embassies." (171)

Nor do we believe that Mr Stewart-Smith did all the research for his 1974 *Not To Be Trusted* while simultaneously an MP, and running a publishing company, a monthly journal and a distribution company. (172)

In a sense this is a banal observation. Why on earth shouldn't the state's security arm give out its information on the left to organisations working against the left? To imagine that anything else takes place is to be grossly naive. Publications like those mentioned above simply carry MI5's information and its particular line at any given time. For all the difference it makes, in practice Common Cause, The Economic League et al were, in the early 1970s, and presumably still are, as good as fronts for MI5. Colin Wallace's claim that some of them are financed by the state through the 'secret vote' should not be a surprise. That it was, to us at any rate, is a good indication of how naive we still are. The clutch of publications by these organisations in 1974 directed against the Labour Party (and to a lesser extent against the Liberals) simply carried MI5's views at that period. (173)

So too, did Pincher. Best, most explicit of all, is his *Inside Story*. *Inside Story* should be read inside out, as an account of MI5's beliefs about, and operations against, the Labour Party and the unions in this country, rather than - as Pincher intended - an account of the British left's connections with 'subversion'. (174) Passing information between British and American intelligence; networking on MI5's behalf with Aims, MI6, intelligence-linked Tory MPs; publicising MI5's line in the *Daily Express* and in his books; spreading the gospel to NAFF and the Ministry of Defence - even on the basis of these connections alone, and these are only the ones Pincher decorates *Inside*

Story with - Pincher was a considerable figure in the right's 'defence of the realm', a major figure in the network we have been describing.

Mrs Thatcher's connections with this network - essentially the armed heart of the state - could hardly have been more explicit. From it she has taken Cabinet and Shadow Cabinet members - Neave, Tebbit, Ridley; junior front bench spokesmen - Biggs-Davison, Mitchell, Churchill; a speechwriter - Robert Moss; foreign policy tutors - Robert Conquest and Leonard Schapiro from IRD and ISC; and her closest political friend, mentor, confidant and ally - Airey Neave.

She expressed her faith in Neave by her willingness to have him in the two 'hot' seats; Northern Ireland, on which he was shadow front-bench spokesman, and, had he lived, 'intelligence supremo' - overseeing the intelligence agencies. (175) And Neave, remember, is the man who was talking of organising an 'army of resistance' to fight a Labour Government, and was talking of assassinating Tony Benn should he become Prime Minister. (176)

Perhaps we are wrong to take those proposals of Neave seriously. Maybe so; but the 1970s was a decade during which the background hum of paramilitary activity on the right grew pretty loud at times. Talk of coups and the 'private armies' may well have served as well as, and in place of, a real coup and real, operational, 'private armies'. The 1974-76 period as a protracted psy ops against the Labour Party is by no means implausible, as this essay should have demonstrated. This is certainly Wallace's view of the period, and sitting where he was he might be presumed to know whereof he speaks.

Which may say little more than that the destabilisation/replacement of a government in a major industrialised western democracy like Britain is more difficult to bring off than it is in a country like Australia which underwent a variation on a similar theme at this time.

Under Gough Whitlam the US intelligence assets in Australia came under the (nominal) control of a government that by US standards was left-wing. At the end of a bitter struggle (1972-75), during which Whitlam's deputy was smeared and forced to resign, Whitlam himself was dismissed by the Governor General Kerr, a man with interesting connections to US intelligence. Whitlam was sacked the day after the Governor General (Kerr) was told that the CIA was threatening to end inter-agency cooperation with the Australian Secret Intelligence Service (ASIS). The threat came in a telegram which eventually got leaked. It included this:

"On 2 November the PM of Australia made a statement ... to the effect that the CIA had been funding Anthony's National Country Party ... On November 6 the PM publicly repeated the allegation that he knew of two instances in which CIA money had been used to influence domestic Australian politics ... a number of CIA members serving in Australia have been identified ... CIA can not see how this dialogue with continued reference to CIA can do other than blow the lid off those installations in Australia where the persons concerned have been working and which are vital to both of our services and countries, particularly the installation at Alice Springs ... This message should be regarded as an official demarche on a service to service basis."(177)

Australia, then Britain? Not directly by the CIA. For that there is not a shred of evidence. Nor should we expect to find any. It is one thing for the CIA to bully the tiny ASIS, quite another for it to lean on MI6. Which is not to deny that there was pressure from the US in the early seventies. A priori there would be. If Australia was worth the effort the CIA put into removing Whitlam, how much is Britain - 'the 'unsinkable aircraft carrier' - going to be worth? The presumption must be that, as Wallace has said, there was US pressure on the British intelligence services to "do something about the left". (178)

Wilson thought he had been under surveillance by the CIA. The basic thought was correct even if his choice of agency was wrong. The surveillance, as one would expect, was done by the NSA (National Security Agency) the 'big brother' of GCHQ at Cheltenham. The restrictions placed on MI5 surveillance of MPs by Wilson in 1964 were just side-stepped. NSA did the work and passed the results on to MI5 who remained, technically, within Wilson's guidelines. (179)

159. As well as CND, animal rights etc.

160. That this is so may explain all the hoo-hah about Roger Hollis being a Soviet agent. For from whom is it coming? Ex counter-intelligence MI5. And what is the message? Look what happens when you downgrade counter-intelligence.

161. Beichmann (1978) and Pronay and Taylor (1984). There is a biographical note on Ball in the appendices.

162. *Guardian* 3 December 1982

163. The information is all on computer nowadays.

164. The only change we are aware of is Harold Wilson's 1964 attempt to exclude MPs from surveillance. And this failed - see below.

165. West (1982)

166. *Labour Research* February 1985 Best account of Economic League is in *State Research* No 7.

The leaked Economic League document spoke of London Region's Research Department employing men with 'professional security' backgrounds. This, in our view, means MI5 and/or Special Branch. Colin Wallace states that the 'secret vote' has been used to subsidise groups like Economic League.

167. See, for example, *Guardian* 18 August 1985 and 31 August 1985

168. *Guardian* 6 March 1981. Taylor Woodrow is one of the companies whose name crops up most frequently in the funding of right-wing groups.

169. Discussed in *State Research* No 20 p11

170. For example the 1974 publications: *The Agitators* (Economic League),

Sources of Conflict in Industry (ISC), Not To Be Trusted (Foreign Affairs Publishing Co), and two we haven't read but which sound interesting, The Revolutionary Left and International Socialists (IRIS)

171. Challenge to Britain: the British Communist Party's Structure, Professionals and Devotees (1974). This makes an interesting contrast with his relatively undersourced essay in Crozier (1970)

172. This, incidentally, is rather well done of its kind, and not at all a hastily thrown together piece of junk. If you look carefully at it you can see the official sections in it. Stewart-Smith has a fairly hysterical style of his own which contrasts sharply with the bland officialese of most of the sections containing what we think are excerpts from MI5 documents.

173. See note 170

174. It is hard to see what the right were getting so excited about with Wilson and company. Wilson defended the value of the pound as fiercely as any City money-lender would have.

175. Neave as 'intelligence supremo' in *New Statesman* 20/2/81.

"As soon as she became leader of the Conservative Party she started educating herself in foreign affairs. Among those who gave her tutorials were Leonard Schapiro and Robert Conquest," in an undated piece by Godfrey Hodgson from, we think, an *Observer* colour supplement of 1985. Schapiro was ISC; Conquest IRD.

Large numbers of the network which got her to the top received their rewards in honours: eg Nigel Vinson (Lord); Max Beloff (Lord); Phillip Goodhart of FARI (Sir); John Biggs-Davison (Sir); Nicholas Kayzer (Sir); Taylor, of Taylor Woodrow (Sir); Fergus Montgomery and Robert Sheldon who were important in the campaign to get her picked as leader of the party, both Sirs.

176. *New Statesman* 20 February 1981

177. Quoted in Nathan (1982). This is the best short account of this period and is the closest an august establishment body like Foreign Policy has come to taking on board a pure parapolitical approach. Highly recommended.

178. Pincher (1978, p39) quotes a "prime MI6 source" to the effect that "anything and everything would be possible if it was considered necessary to protect the Anglo-American joint intelligence arrangements. They are priority number one."

179. *Guardian* 7 February 1981

**Wilson, MI5 and the Rise of Thatcher
Covert Operations in British Politics 1974-1978**

Conclusions

Of the three major aims of the network described by Wallace - removing the Labour Party, neutralising the Liberals as potential allies of the Labour Party, and getting a right-wing leader of the Tory Party in place of the despised Edward Heath - only the third was completely achieved. Jeremy Thorpe was destroyed but Hain survived his fit-up for robbery and for all the rumour-mongering about Clement Freud and Cyril Smith, the Liberals didn't crumble. (180)

Our thesis is not original. Other people, *Private Eye* and 'Richard Shaw' (a pseudonym), for example, have seen the outlines of this. (181) Pencourt almost uncovered the entire thing during 1977/78, but while identifying many of the individual elements never quite put it together. In chapter 23 of *The Pencourt File* they virtually got it all: Walter Walker, the US smears, David Stirling, G.K. Young, the Monday Club and the talk of coups.

At one point they hit a key link in the chain but didn't see the significance of it. The 'Lt. Col. Frederick Cheeseman', the intelligence agent who set them ticking on the trail of Jeremy Thorpe, turned out to be an area co-ordinator for...Civil Assistance, Sir Walter Walker's organisation. Cheeseman was part of a disinformation exercise to steer Pencourt on to the wrong track. No sooner had they discovered him and gone on BBC television with him than he was apparently revealed to be a hoaxer. (182) (A similar stunt had been pulled on the *Guardian* a short time before.) But as Pencourt demonstrated and Gordon Winter was later to confirm, Cheeseman was indeed some kind of intelligence agent. But the damage was done and Pencourt, having been set on the trail of MI5 and the South Africans, from the Cheeseman encounter onwards, were in pursuit of Jeremy Thorpe. (183)

To their credit Pencourt did wonder if they had been had. "It seemed in many ways too good to be true; almost as if they were being handed the answer on a plate." (184) Which indeed they were. Cheeseman converted them from being part of the MI5/South Africans' problem into being part of the solution: their investigation, as only Auberon Waugh had the wit to see, turned up the "skeleton of the prosecution case against Jeremy Thorpe." (185) Pencourt were 'turned', co-opted into becoming part of the smear campaign they had started out to investigate. The dirt on Jeremy Thorpe stuck: the rest of their investigation got lost.

The Labour Party survived the destabilisation campaign of 1974-76 only to run into the IMF crisis of 1976, leaving Thatcher, the net-work candidate, the relatively simple task of picking up the pieces and completing the operation - something she managed while staying within the rules of the game of 'democracy'. (186)

In all this we have presented the Labour Party as if it were little more than the helpless victim of forces it didn't understand and was powerless to resist. This is probably the way it was. But, and here we march boldly into outright speculation, there is a way of assembling some of the pieces which suggests that there may have been more to it than that. For, with hardly a ripple of public attention, the Labour Governments of Wilson and Callaghan did the following:

- Closed the Information Policy Unit (1976) (187)
- Closed the Resistance and Psychological Operations Committee (RPOC)

- (1976)
- Through Wilson, publicly attacked MI5 (1976)
- Appointed a new head of MI5 from outside the service (1978)
- Closed the Foreign Office's Information Research Department (IRD) (1977)
- Cut off the Economic League's access to MI5 information (and, by inference, the access of the other private intelligence agencies) (1978)

It would be encouraging to have this version of events confirmed. What to do about the state's security services should be high on the agenda of the next non-Tory government - of whatever composition. And if a Labour government looks likely in the run-up to the next general election, on our analysis of the middle 1970s, it would hardly be a surprise if similar techniques were to appear during the election campaign.

180. One of the *Searchlight* documents is a letter from George K. Young circa 1972 who writes that "the Queer will be dethroned" - presumably a reference to Edward Heath.

181. For example, *Private Eye* April 1984 p5. 'Richard Shaw' in *Counterspy* November 1981.

182. Pencourt (1978) p246

183. See Winter (1981) ch 34 and Pencourt (ibid) pp41-44

184. Pencourt (ibid) p49

185. Wilson thought at one point that Pencourt had been bought off by the South Africans. Chester et al (1979) p 277

To say, with hindsight, that Pencourt were 'turned' is not to criticise them severely. What was known about any of this in 1976? Almost all the important information now available has appeared since.

A fairly typical review of Pencourt at the time is Julian Symonds in *Sunday Times* 12 February 1979.

186. Best short account is Fay and Young (1978) which quotes enough from the Americans to show that, yes, it was a plot to nobble the Labour Government.

187. Information Policy Unit's members were dispersed: Mike Taylor to Germany; Allan Graham to Nottingham; Gordon Shepherd to Ministry of Defence in London. Shepherd's wife, we believe, now works in Mrs Thatcher's Cabinet office.

Wilson, MI5 and the Rise of Thatcher Covert Operations in British Politics 1974-1978

Appendix 1: ISC, FWF, IRD

The origins of the Institute for the Study of Conflict go back to the Congress for Cultural Freedom (CCF) which was set up in West Berlin in 1950 as the CIA's major cultural offensive during the cold war. (1) CCF is believed to have originated in the fertile mind of Frank Wisner of the Office of Policy Co-ordination (OPC) which later became the CIA's covert Directorate of Plans. OPC was responsible for starting the business of front companies and groups. (2)

An international organisation of anti-communist intellectuals, CCF sponsored seminars, congresses, and funded a string of prestigious magazines and information services including:

1. Preuves Informations (Paris)
2. El Mundo en Espanol (in Spanish, from Paris)
3. Encounter and Forum Information Service (in English, from London) (3)

The groups round Encounter and the Forum Information Service, a low-level feature service, formed the centre of CCF activities in Britain. In 1965 the CIA decided to shift Forum to a new identity as a supposedly straightforward commercial firm, to be called Forum World Features. (FWF)

FWF was incorporated in Delaware (very popular for the formation of CIA front companies) in 1965 by Peter M. Gates, Haward Barrett Flanders Jnr. and Thomas Richards Coolidge. (4) Flanders and Coolidge worked for the New York (and Republican Party supporting) law firm of Carter, Ledyard and Milburn, in New York. Frank Wisner of OPC/CIA had worked there before he went into intelligence, as had Kermit Roosevelt's grandfather. (5) (Kermit Roosevelt, who is perhaps best known for his role in the coup in Iran) went round America's largest corporations asking, "Are you patriotic?", raising money for the CIA front companies and securing the use of their trusts and foundations. (6)

Directors of Forum World Features were:

- the late Samuel Culver Park Jnr., Chairman of the Whitney Communications Corporation and a trustee of Whitney's charitable trust from which he resigned in 1974;
- Walter Avery Kernan, attorney;
- Thomas Coolidge, attorney;
- Murray Mindlin - who was company secretary; (7)
- and John Hay Whitney.

As company secretary, Mindlin was succeeded by;

Kenneth Eugene Donaldson (1965/66); John Tusa (now on BBC TV's Newsnight) (1967), and Chewn Jotikashira (1968)

John C Hunt was FWF Director (1965-66) and ran the Paris headquarters of the CCF as senior assistant to Michael Josselson, CCF's Executive Director. (8)

John Hay Whitney (who was married to a Roosevelt), had been ambassador to Great Britain 1956-61, and was Chair of the Whitney Communications Group - the New York *Herald Tribune*, *International Herald Tribune* and the J. H. Whitney Foundation. In 1964-65 the CIA gave the foundation at least \$325,000. (9)

Whitney was Chair of FWF when it changed its name in 1969 to Kern House Enterprises. The majority of the voting shares were held by Edith R. Buckley (of *that* Buckley family?) and the solicitors used for the change, Thompson, Snell and Passmore, also set up the Institute for the Study of Conflict the following year, 1970.

According to a report to CIA Director Richard Helms in 1968: "FWF Ltd. is an international news feature service located in London and is incorporated in Delaware whose overt aim is to provide, on a commercial basis, a comprehensive weekly service covering international affairs, economics, science and medicine, book reviews, and other subjects of a general nature. In its first two years FWF has provided the US with a significant means to counter communist propaganda and has become a respected feature service on the way to a position of prestige in the journalism world." A handwritten note on the report added: "Run with the knowledge and co-operation of British intelligence."

Brian Crozier (B) became President of FWF in February 1966. (He had known Whitney when Whitney was Ambassador to the UK.)

FWF's managing editor was Iain Hamilton (B), previously editor of the *Spectator*. Hamilton went on to become the Institute for the Study of Conflict's director of studies. (10)

Supervised by the CIA station in the American Embassy in London, FWF sold its weekly package of features to newspapers all over the world. It employed a wide range of authors "many evidently channelled into the Forum orbit by other CIA units like Encounter and the Asia Foundation which the Agency used extensively in its work with Asian journalists." Most of their material was legitimate, building up FWF's credibility for the occasions when serious disinformation was pushed out. (11)

Through Whitney and Kern House the CIA financed a small library and research staff for FWF. In 1968 that became part of the "Current Affairs Research Services Centre" - Brian Crozier's idea - aimed at making greater use of FWF's existing intellectual resources. This centre began publishing a series of 'Conflict Papers' which were continued by, and formed the basis of, the Institute for the Study of Conflict's output.

The Whitney Trust (and, presumably, the CIA) weren't willing to support this new venture wholeheartedly, though they did pay for "a bit of time so that if you wish to seek alternative financial backing to enable the project to continue, possibly on a non-profit making basis, it will be available." (12)

By January 1970 the idea had taken off and, as Crozier explained in a letter to the Foreign Office, he was trying to turn the research centre into a new 'Institute for the Study of Conflict.' (13)

At this time major changes were occurring in the Foreign Office's Information Research Department (IRD). IRD was set up in 1948, the brainchild of Christopher Mayhew (S.O.E. during WW2), a junior minister in the Labour Government. Its

original aim had been to attack communism in Europe, the Middle East and Asia by the promotion of social democracy as a 'third force'. It was to have been an open organisation, balancing anti-communism with anti-capitalism to appease Labour backbenchers. (14) This aim was never realised. IRD became secretive, another covert arm in the intelligence cold war, a propaganda unit which, like its war-time counterparts, used all the variants of propaganda - white, grey and black.

IRD had its own men in British embassies abroad, set up 'front' organisations and played an intelligence role through its close relationship with MI6. (15)

During WW2 the British intelligence services, principally the Special Operations Executive (SOE), set up a number of new agencies which served as propaganda agencies and as cover for agents. After the war these front agencies were picked up by MI6, reactivated, and a little later, reorganised into a large network run by MI6/IRD. These companies, particularly the Arab News Agency (ANA), also developed a close relationship with Reuters which was already receiving a 'disguised subsidy' from the government. In 1954 ANA was appointed sole agent for the distribution of the Reuters Service in the Middle East, an area where Reuters had made little headway. Initially a fee of £28,000 per annum was agreed, but this would increase over the years.

This arrangement went on successfully until July 1969 when Gerald Long, Reuters' managing director, negotiated a new agreement with IRD personnel. Reuters was to assume direct trading in the Middle East, taking over some key ANA personnel, the principal offices in the region, and, most importantly, the teleprinter network which had been paid for by the British government. Reuters also received an undisclosed sum from the Foreign Office.

The head of ANA, Tom Little, who had done much to build up the agency, opposed the deal. Where Reuters had failed he had succeeded and he did not trust them to keep the whole network. Little (B) took no part in the negotiations and resigned soon after, saying that ANA had got a very poor deal. All the IRD/MI6 front agencies now collapsed and wouldn't be revived until 1971, under the wing of 'Seventh Nominees'. (16)

Eventually IRD's star began to wane. It was cut down in 1964 and again in 1968, former employees say. (17) The big cut came in 1971 when the Permanent Secretary at the Foreign Office, Sir Dennis Greenhill, pruned IRD heavily and changed its function. It became less exclusively anti-communist and more a wide-ranging covert propaganda arm of the British government - something which can hardly have gone down well with its more right-wing elements. (18)

The close links formed between ISC, right-wing journalists and IRD eventually led to IRD's closure: ISC's Crozier and Moss had been giving lectures on communism to new IRD personnel. Anthony Crosland (ironically, once a member of the Encounter group), was the first to attempt to close the department, insisting that the more notoriously right-wing journalists be removed from IRD's distribution list. (19)

In 1976 Sir Colin Crowe, the former High Commissioner to Canada, came out of retirement to conduct a secret inquiry into IRD's operations. He recommended that IRD's overseas offices be closed, individual operations, publications and distributions list be kept under close scrutiny and the Department's anti-communist terms of reference be re-written. (20) On April 30th 1977, David Owen, Crosland's successor as

Foreign Secretary, closed the operation down. Only a small section named the Overseas Information Department, survived. It was later re-named the Information Department.(21)

Dr. Owen prefers not to discuss IRD. All he has said is that "it was closed down very gently over a period. It was in my time that the name was changed and certain sections were kept, but this was part of a fairly continuous change that had been going on from 1970 as far as I can gather." (22)

* * *

Tom Little (see above) was one of those involved in the setting up of ISC. In early 1970 FWF took on a number of the journalists who had worked for Little in the intelligence-sponsored agencies in the Middle East and Africa. Practically all the key personnel at ISC were ex-IRD and most of the journalists involved had intelligence connections. As the *Leveller* noted: "IRD became the midwife of the ISC." (23)

Seeking funding for ISC, Crozier wrote to the Foreign Office in January 1970. He actually wrote to a friend, Sir Peter Wilkinson (B), Chief of Administration of the Diplomatic Service.(24) Wilkinson had been head of IRD and later became Co-ordinator of Security and Intelligence in the Cabinet Office. Wilkinson eventually found a retired Major General, F.A.H. Ling, to be ISC's fundraiser. (25) This official support of ISC was confirmed when ISC, only a month old, had its first registered offices at the Royal United Services Institute building in Whitehall. (ISC moved to Northumberland Avenue in 1973 and later to Golden Square.) (26)

ISC was set up as a company (witnessed at Kern House) in April 1970, and as a charity in June 1970. Its original subscribers were: Brian Crozier, W. F. K. Thompson (died 1980), Professors Beloff, Schapiro and Miller. Fergus Ling was secretary. All these were on ISC's Council with John Hugh Adam-Watson (resigned March 1974) Geoffrey Fairburn (resigned 1975), Louis Le Bailley (B) who joined October 1975), Sir Edward Peck (joined October 1975) and Richard Clutterbuck (B) (resigned December 1977).

It was always Crozier's intention that ISC receive no finance direct from the CIA, in fact should have no direct connection with that organisation or any other intelligence agency. (Money came through third parties whose intelligence links could be denied.) Besides the money made available to Ling as fund-raiser, money came from the following sources.

1. Kern House enterprises had already paid for the FWF library which was subsequently given free to ISC. FWF then paid ISC for the right to use the library which remained in FWF's office at Kern House. (In 1973 the structure of Kern House enterprises changed. In place of Whitney, Richard Mellon Scaife became Chair. He had inherited the vast fortune made by the Gulf Oil Corporation and the Mellon Bank. (27) Directors were Ross Daniel McMichael, Scaife's assistant; Lewis Thompson Preston, a banker with Morgan Guarantee Trust - in 1978 its President. Preston was on the Council on Foreign Relations.)
2. Quentin B. Salzman of the Public Affairs Research Group in Washington, an organisation about which almost nothing is known, took 100 subscriptions a year for the Conflict Studies - worth about £15,000.

3. Various think tanks including (a) the Ford Foundation, which gave £20,000 over three years (28), and (b) the NSIC. Minutes of the ISC Council meeting of 2 January 1972 noted that NSIC was covering the salary of a research assistant plus the advertising and printing costs of the ISC annual. (29) (c) Companies like Shell and BP gave considerable sums. (30)
4. ISC also received help from Europe via 'The Pinay Circle'. (see separate appendix note on The Pinay Circle after this appendix.)

Whitney (of FWF) hadn't apparently been very generous in the funding of ISC because other activities in the CIA's view were more important. Whitney wanted FWF to "confine (itself) solely to the book publishing effort. We are impressed with the book programme that you have begun and look forward hopefully to an expanding list of titles and authors. " (31)

The second purpose of FWF (first was the news service) was to commission, promote and organise the publication of books by authors of whom FWF approved. Because of the covert nature of the operation the publishers were apparently unaware of the CIA connection. The publications were promoted throughout the world and provided an "international network of soft propaganda".

FWF started its operations in the publishing world in the 1960s through an arrangement with Secker and Warburg. This lasted until 1969 when, with three books published, it lapsed, mainly through poor sales. (one by Sir Robert Thompson sold only 1800 copies).

In 1971, through its managing director Iain Hamilton and Crozier, FWF revamped the book publishing operation. Negotiations were started with David and Charles of Devin, to publish books under the "World Realities" series begun with Secker and Warburg. Starting in February 1972, FWF saw to the selection of authors, commissioned the actual book and then sent a synopsis to the publishers. If they agreed to go ahead FWF handled all the negotiations with the author and oversaw the book down to the final draft.

The most famous of FWF's publishing ventures involved Robert Moss, Crozier's friend. In 1971 the book, *Chile's Marxist Experiment*, was first mooted by FWF while Allende was still in power. Moss was sent to Chile as the *Economist's* correspondent and soon made a name for himself as one of the most determined foreign journalist critics of the Allende government. (See biography of Moss for details.) In March 1972 Crozier informed David and Charles that Moss was just back from a special trip to Chile "in connection with his forthcoming "World Realities" book."

The book was finally pushed out at the end of 1973 and, because the Allende government had fallen by then, a hastily written introduction said that Washington had nothing to do with the coup. The Chilean junta bought 9750 copies at a reduced rate, most of which were sent to the Chilean embassy in Washington. A Spanish edition was also produced, supervised by Thomas P. McHale, a Chilean citizen who had, before the coup, run the book department of the Institute for General Studies in Santiago, financed by the CIA.

In the course of 1973 and 1974 the book publishing passed to Rossiter Publications owned by Crozier. This transfer may have had something to do with the eventual closure of FWF. Following the press disclosure in 1975 that FWF and possibly ISC

had been set up with CIA money, Crozier replied with a large article in the *Guardian*(32), which included a long series of letters from his files which he hoped would show that he had no knowledge of CIA involvement.

Most people naturally assumed that the press stories on FWF had forced its closure. In fact that's probably not the case. The CIA knew some time before that that the operation was 'blown'. Victor Marchetti, co-author with John Marks of *The CIA and the Cult of Intelligence*, had been forced to allow the CIA to vet the manuscript of that book in 1973. The result was 168 deletions and one of them was a section describing FWF operations in London. No doubt that CIA had warned its friends.(33)

1. CCF was funded by two foundations, the Hoblitzelle and Fairfield foundations. They received their money in turn from the Tower Fund, Borden Trust, Beacon Fund, Price Fund, Heights Fund and Monroe Fundall CIA fronts. A CIA agent, Michael Josselson, ran the latter, as well as being executive director of CCF. Josselson was in OSS during WW2 and worked as a propagandist in post-war Germany. (On Fairfield see Whittaker (1979))
2. See Timothy Leary's recent autobiographical *Flashbacks* for a biography of Cord Meyer, apparently responsible for this area. Meyer was later CIA station chief in London. This was thought to be a demotion at the time but, on the other hand, might indicate the seriousness with which the CIA took events in Britain at the time - the early seventies.
3. Thomas Braden, former CIA executive, said in 1967 in an article in the *Saturday Evening Post* ("I'm glad the CIA is immoral"), after the first revelations of CIA involvement in CCF et al was revealed in *Ramparts* magazine, that the CIA had planted one full-time agent inside CCF and another on the board of *Encounter*. According to C. M. Woodhouse, *Encounter* was in fact jointly funded by the CIA and MI6 - the last time the agencies collaborated together in a close manner. (Woodhouse 1982) In 1964 Cecil King's *Mirror Group* assumed financial responsibility for *Encounter*. (*International Herald Tribune*, 10 May 1966)
4. Coolidge was 1974-75 President of the Diebold Group Inc., New York, whose founder was on the board of the US version of ISC - Washington ISC (WISC)
5. On Wisner, see Loftus (1983)
6. Freemantle (1984)
7. Mindlin was a shareholder of the original CCF-backed Forum Information Service. He moved to FWF as secretary in 1965. In 1966-67 he was editor of the magazine *Censorship* sponsored by the CCF. Later he became secretary of the British 'Pall Mall Publications' which was then owned by Frederick Praeger in the U.S. (Praeger with extensive publishing links to CIA.) Publisher and front for a number of CIA books and publications, Pall Mall had originally started as a feature service connected to the British Liberals and the Liberal International. Pall Mall was started by Peter Calvocoressi (biography in *Lobster* 10), ex GCHQ. Also involved was Colin Legum, who turns up in the

1970s on the IRD distribution list. (See *Leveller* March 1978). Calvocoressi was in the Royal Institute for International Affairs (1949-70) and the Institute for Strategic Studies (1961-71). Legum works for *The Observer* and is one of its authorities on Africa.)

8. A full-time CIA official, Robert Gene Gately, served as corporate treasurer and vice president of FWF during the mid 1960s shift to commercial cover. Gately had come to London in 1965 to work for FWF's London HQ. He told his colleagues that he had worked for Newsweek in Asia, but veterans on that paper had no recollection of him. In 1975 Gately was serving as political officer in the American embassy in Bangkok. On the use of American journals/newspapers as cover for CIA see Carl Bernstein, *CIA and the Media* in *Rolling Stone* October 20 1977.
9. *Time Out* 20/6/75 The CIA memo had been uncovered by Granada TV's World In Action who were in Washington in April 1975 to do a programme on the CIA. Considered too hot to handle by World In Action's editor, the memo filtered down to Time Out. (See *CIA, Students of Conflict*, Steve Weissman, in *Embassy*, August 1976)
10. *State Research* No 1.
11. *Time Out* *ibid*.
12. *ibid*
- (13) *State Research* *ibid*
14. IRD is said to have been financed by the 'secret vote' but Pincher claims that it was largely financed by the CIA (Pincher 1978 p 175). Pincher also describes IRD as "psychological warfare branch ... to disseminate information and disinformation to undermine communism *in Britain* (emphasis added) and elsewhere and particularly to expose communist front organisations for what they are." (Pincher *ibid*)

This is quite a long way from the view of IRD expressed by journalists like Fletcher and Leigh (see note 5 of main text), and it might be misinformation. But it is not far from the view of IRD implicit in this comment of Colin Wallace's: "MI5 believed that (attempts by the Labour Government to curtail or disband IRD) was a deliberate ploy ... to remove the system's main anti-communist propaganda weapon. I believe, however, that the government discovered that IRD was, in fact, being used against themselves.
15. See note 5 in main text.
16. The revived fronts were Africa Features - in Kenya, Nigeria, Ghana and Zambia - and World Feature Services
17. *Guardian* 27 January 1978
18. IRD set up a 'counter subversion unit' to deal with the IRA. It published a manual on the IRA distributed to journalists and others, including ISC's Iain

Hamilton. (*Guardian* 27 January 1978) Sections of the manual appeared in Barzilay (1973) (*Time Out* 14 October 1977). In volume 1 of the book there is a picture of Colin Wallace posing in front of a pile of arms "seized" by the Army. Wallace says these were mostly British Army weapons. (p119)

19. Leigh (1978) pp 222-224

20. One of the 1976 changes suggested by Crowe was the shifting of the Counter Subversive fund to IRD control (Bloch and Fitzgerald 1983 p98): What the CS fund is, what size it is, and what it has been used for, we don't know. In one of his documents Colin Wallace refers to 'projects funded by the Counter Subversive Fund', apparently referring to the covert funding of Civil Assistance, Unison and GB75.

21. Leigh (ibid)

22. Smith (1980). In that piece Smith makes the interesting point that IRD had close links with the BBC's external services. One of ISC's staff, Peter Janke (B) came to ISC, via IRD, from BBC external services.

23. *Leveller* No 64 1981

24. *State Research* No 1

25. Ling's salary at ISC was paid by Kern House until 1972

26. Director of RUSI at this time was Air Vice-Marshal Stuart Manual, later a member of ISC Council.

27. When Kermit Roosevelt left the CIA he joined Gulf in a PR capacity as a trouble-shooter in the Middle East. It is clear that his intelligence role continued. (Eveland, 1980)

28. Following the revelations of CIA funding of CCF, CCF was revamped as the International Association for Cultural Freedom, ICAF). ICAF was financed by Ford, as was Encounter which received \$50,000 via ICAF in 1972 to try and increase its sales in the US. Relations between Ford and the CIA have always been close: Richard Bissel, Helms' special assistant, Robert Kilen, John McCoy, Shep Stone and McGeorge Bundy all worked for both organisations. (On Ford's support of other institutions see Whittaker (1979)

29. Knight (1982) p 176

30. Such companies were also financing British intelligence fronts like the Atlas Foundation and the Ariel Foundation at this time. On Ariel see Bloch and Fitzgerald pp 151/2

31. *Guardian* 20 December 1976

32. ibid 31 December 1976

33. Campbell (1984) pp 146/7

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Appendix 2: the Pinay Circle

The Pinay Circle was set up in 1969 around the former Prime Minister of France, Antoine Pinay. Pinay was very old and seems to have been little more than a figurehead. Its chief fundraiser and leading light is the former lawyer, Jean Violet. A senior figure in the French equivalent of the CBI, Violet has also been a member of SDECE, the French equivalent of the CIA and MI6. (Faligot, 1985 p 194). According to reports from West German intelligence (in *Intelligence/Parapolitics* (Paris) December 1984) Violet had links with South African, American, British, Swiss and West German intelligence. The West German BND is said to be one of his sources of finance.

With these contacts Violet had put together an informal group of conservative, anti-communist politicians, bankers, journalists etc - 'The Pinay Circle'. It is said to meet twice a year discussing how to promote the conservative cause. The following are said to have been, or still are, members of the circle:

Julian Amery MP, Brian Crozier, Nicholas Elliot (B) (ex MI6), William Colby (ex DCIA), Edwin Feulner of The Heritage Foundation, and General D. Stilwell (DIA).

Pinay projects are said to have included the promotion of Mrs Thatcher in the UK and Strauss in West Germany.

ISC records from as early as 1972 mention efforts by the Pinay Circle to generate moral and financial support for ISC: Crozier was apparently hoping for £20,000 from the Circle in 1973 - a large contribution by ISC's standards. The Circle paid for an ISC study "European Security and the Soviet Problem". Further correspondence from 1975 shows the Circle active in organising meetings in "Madrid, Rome, Milan, Brussels and Bonn with the object of raising money for the Institute (ie ISC) and enhancing its reputation." (*Time Out* 27 June 1975)

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Appendix 3

FARI - Foreign Affairs Research Institute

In 1976, using South African money, Geoffrey Stewart-Smith set up FARI with another raft of 'names' on the notepaper, including one or two - Sir Ian Gilmour, for example - that are rather surprising. FARI's council over-lapped with that of ISC through Brian Crozier, Air Vice Marshal Stuart Manual and Robert Moss.

FARI was said to have "strong CIA links" by Gerry Gable in a memo leaked to the *New Statesman* (15 February 1980). (Gable, despite being editor of the anti-fascist magazine *Searchlight* is, on the basis of that memo, some kind of MI5 agent with extensive links to other intelligence agencies. See also *Anarchy* Summer 1983 on

Gable's history.)

FARI was also reported to be receiving money from the US company Lockheed (*Counterspy* November 1981)

Chair of FARI in 1978 was Sir Frederick Bennet MP, member of the Bilderberg group and host in 1977 for the Bilderberg's annual meeting which took place in England that year.

In 1978 FARI was co-sponsor with ISC and the National Strategy Information Centre (NSIC) of the so-called 'Freedom Blue Cross' conference in Brighton, apparently an attempt to persuade predominantly British multinational companies to fund a private 'pro freedom' propaganda organisation. David Leigh (*Guardian* 6 May 1980) saw this as an attempt to create a privately funded version of IRD (IRD having just been finished off by the Labour Government). Little has been heard of 'Freedom Blue Cross' since - nothing at all, in fact - and if the follow-up piece in the *Guardian* (7 June 1978) is anything to go by, the British companies present were hugely underwhelmed. (On Bluecross see also *State Research* No7 and Peoples' News Service 6 February 1979)

Nevertheless FARI has grown and grown. In 1980 it began organising an annual 'balance of power' conference in Britain, attracting some of the top level figures on the new right: Feulner of the Heritage Foundation, Ray Cline of NSIC, Frank Barnet of NSIC and the Committee for the Present Danger, General Daniel Graham ex-'Team B', DIA etc. Two pages of *Sanity* (February 1984) are devoted to FARI and its conferences, and they look pretty accurate despite having no sources for the information offered.

INTERDOC

Stewart-Smith's publishing company, Foreign Affairs Publishing Co. (FAPC) had links to The East-West Institute in The Hague, which was run by Mi Van Den Heuval, the Dutch representative on the World Anti-Communist League. The Institute ran 'Interdoc', the 'information and documentation centre', which specialised in research on the European left. According to one report (*Liberation* 9 October 1975), "Interdoc was set up during a meeting at Brabizon, near Paris, on 5-8 October 1961 ... the participants decided to unite behind the new organisation ... all the efforts and initiatives of the struggle against communism and place them on a serious and expert footing."

The Italian participant was Professor Luigi Gedda, the CIA and Vatican's man. An Italian secret service document (*Sifar* October 1973) states that the whole endeavour had been financed by the Dutch secret service. There is also a report that it received support from the CIA and Moral Re-armament(!) (*Mole Express* No 28 1973). This latter piece states that Interdoc gave financial assistance to the Lady Birdwood-Ross McWhirter 'Inter-City Research'. There were also links with The Monday Club and ISC. (*Time Out* 29 August 1975)

The British representative of Interdoc at the London office during the sixties and early seventies was Major Charles Howard Ellis. Ellis' intelligence career went back to Czarist Russia. During WW2 he worked for Stephenson's British Security Co-ordination in the US. Post-war he rose to no.3 in the MI6 hierarchy and ended his

career weeding MI6 files. He had been recommended to Interdoc by ex MI6 head Stuart Menzies.

While working for Interdoc, 'with the other chaps' Ellis put together an 'action group', keeping it 'private and confidential as publicity would kill it'. (Stevenson 1985 p 272) What this 'action group' did isn't known.

Ellis was a contributor to Crozier's 1970 anthology *We Will Bury You* which included contributions from members of other anti-communist research groups.

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Appendix 4: the Conflict Between MI5 and MI6 in Northern Ireland

The conflict over the cease-fire negotiations was part of a struggle between MI5 and MI6 for control of the intelligence activities in Northern Ireland. MI6 had been called into Northern Ireland by Edward Heath, thus extending its normal area of operations, Northern Ireland being part of the UK and MI6, up till then, working only abroad. The UK was MI5's bureaucratic 'territory'. Maurice Oldfield, MI6 head at the time, is said to have opposed the move. (Verrier, 1983 p 302)

Once in Northern Ireland, MI6 began doing what MI6 does. It recruited agents, tried to create a political alternative to the IRA - the Social Democratic and Labour Party (and, perhaps, the Alliance Party) (Verrier, *ibid* p 286) - and began trying to talk to the IRA.

MI5, which began operating in Northern Ireland with the advent of the IRA bombing campaign on mainland Britain, saw MI6 not as an ally but as an opponent. Colin Wallace:

"The 1973-4 period was particularly critical because it was, in my opinion, a watershed in the battle for supremacy between MI5 and the SIS (ie MI6). In the UK the problems associated with the increases in international terrorism, the miners' strike, the 3-day week, alleged increases in power and influence by Left Wing activists etc all had a profound effect on the roles of these two services.

In Northern Ireland the chief intelligence post was given to an MI5 officer, Dennis Payne, much to the chagrin of SIS. As you can imagine, Ireland was, at that time, the 'in' place to be both in military and intelligence terms. If one examines most of the top posts held in these fields today, the incumbents have, almost without exception, had experience in Northern Ireland.

There was a strong difference of opinion between MI5 and the SIS over who should have overall responsibility for the Irish problem - particularly in the case of operations in the Republic of Ireland. To make matters

worse, the two services regarded Army Intelligence as amateurs and the RUC Special Branch as totally unreliable. You can imagine the problems such a situation created for joint operations, the channels of reporting etc.

In theory the head of Army Intelligence in the Province was a full Colonel, Peter Goss, who came under the direction of MI5's Dennis Payne. The SIS, who came under the direction of Payne, had their own senior officer at Army HQ at Lisburn, Craig Smellie, and a complete office at Laneside, and reported directly to Century House (ie MI6 London base)

When MI5 gained control of the overall intelligence operation they tried to replace those who were already in key posts with others with total loyalty to them. For example, in 1974 there was an attempt to use SAS personnel to replace the normal Army SMIU men.* This was a total disaster. Not only did MI5 have much less experience of running agents in a hostile environment than SIS, the SAS at that time had no experience of Northern Ireland-type operations - they had been prohibited from taking an active part (officially at least) for purely political reasons. After a number of quite amazing blunders the SAS were withdrawn from plainclothes duty in the Province. As the hostility between the various intelligence factions increased they began to 'nobble' each others operations. The Army had a number of key agents 'taken out' by the terrorists and a FINCO** in Belfast committed suicide.

It became quite clear that MI5 were trying to get the SIS removed from the Province completely - this they almost achieved by late 1976."

* SMIU - Special Military Intelligence Unit

** FINCO - Field Intelligence Non-commissioned Officer

Below is a list of incidents which, if investigated, would throw light on this MI5- MI6 conflict.

1. A bank robbery in Coleraine carried out by the SAS. (The soldiers were ex-Para and ex-Royal Irish Rangers)
2. The shooting of William Black in 1974. This is said to have been a bungled SAS operation designed to 'take out' Charles Harding Smith, a UDA commander. (The shooting is the central subject matter of Kennedy Lindsay's *Ambush at Tullywest: the British Intelligence Services in Action (1981)*)
3. Explosions caused by the Parachute Regiment in 3 Brigade area.
4. The bombing of the Alliance Party HQ in 1974 during the General Election - suspected of being the work of the security forces.
5. SAS activities in the Irish Republic, including the arrest of two patrols in plain clothes by the Irish police.
6. The plot to recruit an ex-professional football player to assassinate Provisional IRA officer Martin Meehan in Dundalk.
7. The leaking of material by MI5, on MI6 operations, including the production of a booklet on the Littlejohns, and information on Howard Marks.
8. An attempt to assassinate ex-IRA officer Jim McCann in Holland where he was involved in a drugs ring which supplied arms to the IRA.
9. The bombings in Dublin in 1974 by Protestants linked to the security forces,

- and, in particular, an RUC Special Branch officer.
10. A bomb attempt on Enoch Powell MP by the security forces.
 11. The Miami Showband killings by Protestants linked to the security forces.
 12. The smearing of the Joseph Rowntree Trust which was the conduit for money from MI6 to the political organisations it supported in Northern Ireland.
 13. 'The Ulster Citizens' Army' - a 'black' operation *not* set up by Wallace and Information Policy.
 14. The assassination of Catholics in 1975 by Protestant groups linked to the security forces. The increased killings were designed to break the Provisional IRA truce arranged with the help of MI6.

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Appendix 5: TARA

TARA was a prototype Protestant paramilitary group set up by William McGrath within an Orange Lodge he had started. TARA never got off the ground. In a report he wrote while still working for Information Policy in September 1974, Colin Wallace commented:

"In theory 'TARA' was basically a credible concept from a loyalist paramilitary point of view.... but it never progressed beyond the planning stage...the idea failed for a number of reasons, mainly because of William McGrath's rather strange political views which are more akin to Irish Nationalism or Republicanism, that Unionism, and the fact that other organisations which appeared to be more in keeping with the needs of the Loyalist community at that time, sprung up during the period."

From about 1971 on, as far as we can tell, 'TARA' existed solely as an Information Policy psy ops project. Its success can be judged by the extent to which people took it seriously.

'TARA' was formally launched on 11 April 1973 when a proclamation was issued in its name and distributed to journalists in Belfast. It was carried on the Associated Press wire that day. The *Guardian* carried a substantial report on it the following day.

The timing of this and the subsequent use made of 'TARA' indicate that its primary function was to smear the Protestant leadership in Northern Ireland - notably the Reverend Ian Paisley - in support of attempts being made by the Heath government to create a political solution - attempts which culminated in the so-called power-sharing executive.

'TARA' appeared in the following books and articles:

1. David Blundy (*Sunday Times* 13 March 1977) - "the Protestant paramilitary group, Tara, a small, obscure and ineffective group as Ulster paramilitary organisations go."
2. Liz Curtis (1984): "a shadowy loyalist paramilitary group called Tara."

3. Geoffrey Bell (1976): "one of the competing Protestant paramilitary organisations" (p131) (Bell includes another, non-Inf Pol project, the 'Ulster Citizens Army' in his list.)
4. Robert Fisk (*New Statesman* 19 March 1976) quotes from an Army "intelligence" report on TARA as a demonstration of how good Army intelligence in Northern Ireland was.
5. Merlyn Rees (1985) says TARA was "a loyalist group that particularly concerned me... although very small..it was evil plus." (p48)

The reports by Blundy and Curtis describe the attempts to link the Reverend Ian Paisley to TARA. TARA was one of Wallace's projects and, curiously enough, it achieved its fullest expression that we know of (and we obviously haven't done a search of the Irish press) in the Summer 1980 edition of the 'underground' paper *International Times*. An anonymous article on Paisley stated:

"Paisley is also connected with the less well known Tara which specialises in burning down Catholic churches and whose masonic T with a circle around it is wont to appear on the walls of East Belfast after any sectarian killing.... (they) have also quickly formed an alliance with the National Front Tara's chosen sacrament is the pipe-bomb."

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Appendix 6: Examples of political psy ops targets 1973/4 - non Army origin

Betty Sinclair Andrew Barr Edwina Stewart James Graham Brian Graham Hugh Murphy	All members of the Communist Party of Ireland
Glen Barr	Chairman of the co-ordinating committee of the loyalist strike of 1974
Lord Brockway Stan Orme MP Stan Thorne MP Kevin McNamara MP	All members of the Campaign for Democracy in Ulster (CDU) which monitored civil rights (or their absence) in Northern Ireland. CDU was prominent in pressing for reform in 1968/9
Lord Belstead (John Ganzoni)	1973-74 Conservative Parliamentary Under Secretary Northern Ireland; House of Lords spokesman; maintained interest in local legislation as Conservative front bencher 1974-79
William van	1972-74 Conservative Minister of State in the Northern Ireland office.

Straubenzee MP	Known as 'the Bishop' in Westminster, he presided over a committee which drew up proposals to counter religious and political discrimination in jobs. This led eventually to the setting up of the Fair Employment Agency in Northern Ireland.
Paul Channon MP	1972 Conservative Minister of State, Northern Ireland office. His London home was the venue for the secret meeting between Secretary of State Whitelaw and Provo leaders in 1972.
Ian Gilmour MP	Conservative spokesman on Northern Ireland 1974-75. He was closely involved with security policy in Northern Ireland between 1970 and 1974. As opposition spokesman he gave strong support to the Labour government's convention initiative.
Norman St. John Stevas MP	Prominent lay Roman Catholic
Edward Heath MP	As Prime Minister he sent in MI6
William Whitelaw MP	Northern Ireland Secretary of State
Lord Hailsham	Occasionally suggested radical changes in Anglo-Irish relations which created unease among unionists.
Humphrey Berkeley	Was Conservative, then Labour, now SDP. Like Heath and Jeremy Thorpe, was the target of homosexual smears.
Joan Maynard MP Tom Litterick MP	Both supporters of the 'Troops out Movement' which was started at the end of 1969. They attacked the anti-terrorist laws (as did members of the CDU), the use of undercover soldiers. In December 1974 Litterick also attacked the use of psychological warfare, referring to Information Policy.
Lord Avebury (Eric Lubbock)	Head of Peter Hain Defence Fund
Peter Hain Emlyn Hooson MP David Steel MP Jeremy Thorpe MP Cyril Smith MP	all Liberals
Harold Wilson MP Edward Short MP Joan Lestor MP David Owen MP Judith Hart MP	all Labour Party

Merlyn Rees MP Roy Hattersley MP	
Marcia Williams	Harold Wilson's personal secretary and confidante
John Hume SDLP	
Rev. Martin Smith	Grand Master of the Orange Order and vice president of the Official Unionist Party. In 1975 he took part in secret talks with John Hume and Paddy Devlin in an attempt to break the political deadlock.
Rev. Ian Paisley Sir Knox Cunningham QC James Molyneaux William Craig	all targets of psy ops campaign called 'Clockwork Orange 1'
James Flanagan	Chief Constable RUC 1973-76 (first Catholic to hold the post)
The Rowntree Trust	Has contributed substantial grants to political parties and groups in Northern Ireland. Total grants in 1974 were £70,000. £11,000 of this went to the SDLP including a contribution to the party's election expenses in October 1974. Was a conduit for MI6 funds which is why MI5 would have opposed its operation. Rowntree also funded the Alliance, Northern Irish Labour Party and the New Ulster Movement. Rowntree assisted the loyalist paramilitaries to finance a conference in Belfast in 1975, and contributed to the expenses of paramilitary delegates attending an Oxford conference on Northern Ireland in 1974. Some payments made to individuals: as Shadow Northern Ireland Secretary Merlyn Rees had a fellowship enabling him to employ a special adviser.

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Appendix 7 John Colin Wallace 1968-76

Ministry of Defence (Army Department): Army number 474964. Commissioned 1962 (TAVR Gen. List) Officer Cadet, Cadet Training Officer, St. Patrick's Barracks, Ballymena, and later with the Field Marshal Earl Alexander Cadet Company Irish Guard. Appointed Assistant Command Public Relations Officer, HQ Northern Ireland in 1968 and engaged in a wide variety of information work both as a serving officer (Captain) in the Ulster Defence Regiment and as a civilian information adviser. Overseas work during this period included assignments in West Germany, Malaysia, Australia, Hong Kong, New Zealand, Berlin and the U.S.

Appointments held included:

1. Senior Information Officer (Psychological Operations) Army HQ, Northern Ireland. 2. Member of the Northern Ireland Information Co-ordinating Committee.
2. Member of the tribunal of inquiry set up under Lord Widgery - the 'Bloody Sunday' tribunal.
3. Commander of the Army's free fall parachute team 'The Phantoms', 1972-75. BPA number 3150: 'D' licence No 1416.
4. Staff Officer (Information Policy) Ulster Defence Regiment.
5. Head of Production Services (cover title for Senior Information Officer, PSYOPS) Army HQ, Northern Ireland.

The trial of Colin Wallace by Captain Fred Holroyd

In March 1981 at Lewes Crown Court, Colin Wallace was convicted of the manslaughter of 29 year old Brighton antiques dealer, Jonathan Lewis. During a controversial three week trial, the Prosecution alleged that Wallace and Lewis' wife, Jane, had had an affair the previous year when they worked together on the BBC TV programme 'It's a Knockout'. It was claimed that between 6.45 and 7.15 pm on the night of 5th August 1980, the two men - who were close friends and squash partners - met at Wallace's home for a drink before going on to a surprise dinner party at a hotel near Arundel. During the meeting, it was alleged, a fight developed between them in which Lewis was knocked unconscious by a karate-type blow to the base of the nose.

According to the Crown, Wallace then bundled the unconscious Lewis into the boot of a highly-decorated British Leyland courtesy car which he had been using in connection with the TV event, and then went on to the dinner party attended by 12 other guests including Jane Lewis and the local police commander, Superintendent Bill Taylor. The Court was told that Wallace left the dinner party for a short time at around 10.30 pm and the police claimed that during this absence he drove to the River Arun, dumping the unconscious Lewis into the river, where Lewis drowned.

Four days later, the body was recovered from the river some three miles south of Arundel, and, following a postmortem by Home Office pathologist, Dr Ian West, the police issued a press statement saying that "foul play was not suspected". It would appear that Dr. West was of the opinion that Lewis had slipped and fallen into the water while urinating into the river - when his body was recovered it was noticed that his fly was undone - and that a cut above his right eye had been caused by the propeller of the boat which was used to recover the body. That the boat's propeller had struck Lewis' body was confirmed by two of the boatmen who found it.

Wallace, however, became a prime suspect in the case after it was reported to the police that a car similar to his had been seen parked near the Arundel swimming pool car park where Lewis had parked his car on the night he disappeared. An entry in Lewis' diary for the 5th August also said, "Colin.6.30pm". Later forensic scientists found minute spots of blood in the boot of the car that Wallace had been using that night and it was noticed that the car boot mat was missing. When asked about his movements on that night Wallace at first denied that he had seen Lewis but then admitted that they had met as stated in the diary.

Wallace was originally charged with murder but the trial judge, Mr Justice Kilber-

Brown, directed that the charge be withdrawn because of the weakness of the prosecution case. The trial was repeatedly punctuated by references to mysterious unidentified people, and conflicts in the scientific evidence. Most of these mysteries and questions still remain unanswered and the authorities have repeatedly refused to provide explanations for some of the more contentious aspects to the case.

One of the most controversial conflicts in the evidence came from a barmaid, Amanda Metcalfe, who knew Lewis as a regular visitor to the bar of her parents' hotel on the outskirts of Arundel. Shortly after Lewis had disappeared, the police appealed for anyone who had seen him on the night of 5th August to contact them. Miss Metcalfe went to the police and told them how she had seen Lewis that evening in the company of another man in the bar of the hotel where she had been working. She described accurately and in detail the clothes Lewis had worn on that occasion, and said that she had seen him at some time after 7.00pm when she had been assisting a new member of staff at the bar. According to Miss Metcalfe, Lewis' demeanour on that occasion indicated that he was not having an amicable meeting with the other man.

It was clear from her evidence that the man seen with Lewis was not Wallace, and the significance of what she had said was commented upon by the trial judge who told the jury:

"If Miss Amanda Metcalfe is right, let us take it from about twenty past seven, if you like; or more favourable to the Defence, on the Prosecution case even a bit earlier than that; or, above all, after twenty five past seven - if she is right then this deceased man was still alive when the Prosecution say he was knocked unconscious, he was still alive when the Prosecution say he was incapable of standing up. He was in the bar of the Golden Goose when the Prosecution say he was stuffed in the boot of the car, or may have been. It is absolutely vital, members of the jury, that you concentrate upon this because - and I would go so far as to advise you that you must rule out the accuracy of Miss Metcalfe's evidence before you can reach any safe conclusion that this man knocked out the deceased, as the Prosecution say he did, stuffed him in the boot and dumped him in the river."

What the jury was not told, however, and what did not emerge at the trial, was that the suit worn by Lewis that evening had been worn for the first time, having just returned from the dry cleaners. It has now been confirmed that Mrs Lewis found the cleaning labels from the suit when she returned home and this substantiates the view that Lewis could not have worn the clothes described by Miss Metcalfe on the days preceding his disappearance. This information greatly increases the overall strength of Miss Metcalfe's evidence as to the evening on which she saw Lewis.

No traces of blood were found on any of Wallace's clothes or in his house and Supt. Taylor told the court that when Wallace arrived at the hotel where the dinner party was to take place - allegedly only minutes after the fight had taken place - he certainly did not appear to have been involved in a violent struggle. An examination of Wallace's hands by the police and a police doctor did not reveal any abrasions or bruising. It was later revealed that there was bruising to the knuckles of Lewis' right hand which Dr Ian West described as being consistent with him punching a "hard unyielding target". If Wallace had been the target of such a blow, then he certainly showed no signs of injury.

The police's claim that Wallace had disposed of the mat from the car boot to destroy evidence of blood stains was totally contradicted by a radio telephone engineer who had carried out some installation work on the boot of Wallace's car some months before Lewis died. He told the court that he remembered clearly that there had been no mat in the boot when he had carried out the work. His evidence was supported by two other witnesses who had used the car during the TV event and who recalled noticing the lack of covering in the boot and had commented on the fact because the car was new.

It was also revealed at the trial that some weeks prior to his death Lewis had expressed fears about his personal safety to his wife. It was claimed that on one occasion he named a business associate to her and said: "If anything ever happens to me, look out for 'Mr X'." He had also revealed to her details of financial and other alleged irregularities connected with business. After Lewis disappeared his wife and his father went to the Sussex police and told them of these matters; but none of this information was recorded in any of the statements which the police took from Mrs Lewis and presented to the court.

Another significant aspect of Miss Metcalfe's evidence was that both she and Wallace quite independently confirmed that Lewis was wearing both his jacket and his tie when they saw him last. However, when his body was recovered from the river, his jacket and tie were missing and his shirt was unbuttoned at the neck. His jacket and tie have never been found.

A forensic scientist from the Metropolitan Police Forensic Laboratory who carried out tests on the blood samples found in Wallace's car admitted under cross-examination that there was "no scientific explanation" for how some of the spots of blood had come to be deposited in covered or inaccessible parts of the car boot other than that they had been deposited during the manufacture of the car. Indeed, Wallace's lawyers discovered from British Leyland accident report records that three car assembly workers had received injuries to their hands whilst working on the assembly line shift which had assembled Wallace's car. At one point the same forensic scientist also admitted that information which he had earlier given to the court was inaccurate and that a photograph of the results of his tests on one of the blood samples really indicated that it could not have come from Lewis. In the absence of the jury, the trial judge strongly criticised the scientist and told Prosecuting Counsel:

"It is not the first time that the Director of Public Prosecutions quite properly has had to rely upon scientific evidence with reference to grouping of blood and matters of that kind when at the end of it all the situation is such that, quite frankly, I think the scientists got themselves into a mess. It is intolerable, in my view, if they really stop to think, as Mr Silverman should have stopped to think. If he was going to give that final answer to Mr Kennedy, which he did, he had no business to have said the things in chief and misled the Director and misled you. I am sorry to be forthright about it but, as I say, it is not the first time it has happened."

Another remarkable aspect of the Wallace case was the total absence of forensic evidence indicating that he had been involved in a fight with Lewis. Although the police claimed that he had kept the unconscious and bleeding man in the boot of his car for some three and a half hours, this was not supported by the evidence. The

Prosecution admitted that human hairs found in the boot of the car had not come from the victim. No blood was found on any particles of dust, fibres or other debris taken from the boot. This supports the theory that the blood had been deposited and dried when the car was new and long before the dust and debris had collected.

There is little doubt that the absence of the detailed information given to the police by Mrs Lewis had a strong influence on the trial and on the cross-examination of various witnesses, because the trial judge told the jury:

"There is no evidence, is there, that the deceased man was involved in any matrimonial misconduct, nor that he had any enemies who would be minded to use violence upon him?"

Some witnesses told the court that they had seen Lewis frequently using the Arundel Swimming Pool car park where he had left his orange Volvo estate car on the night he vanished. On each occasion he had used exactly the same parking bay at the entrance to the car park and directly opposite the police station. On the night he disappeared he had been seen there in his car with a "dark haired woman". Mrs Lewis denied that she had been with her husband on that occasion and she told the court that as far as she knew her husband never used that particular car park. Her claim was supported by some of his close business associates who also said that, to the best of their knowledge, Lewis had never parked his car there. It would appear, therefore, that Lewis had some particular reason for keeping his use of that car park a secret from those close to him. It is also remarkable that although Jane Lewis gave the police a detailed description of her husband's car, including the registration number, in the early hours of the morning of 6th August, and although the police circulated the description, it was not found until four days later - even then it was found by a member of the public, parked directly in front of Arundel police station, less than 20 yards from the police station enquiries desk window.

During the trial there was considerable debate over the alleged sightings of Wallace's brightly coloured and highly distinctive car on the night of 5th August. The police put Wallace's car - one of a number of identical cars on loan from British Leyland - on public display and asked that anyone who had seen such a car between 6.00 pm and midnight on 5th August to contact them. They claimed that only one of the cars, the one driven by Wallace, was in use that night. But it became clear from the large number of sightings reported to the police that one of the other cars must have been in use. Not all the statements given to the police by members of the public were used at the trial and mystery still surrounds the identity of the 'second car'.

Superintendent Taylor told the court that when he and his wife arrived at the hotel just before 8.00 pm to attend the dinner there were *two* 'It's a Knockout' cars in the hotel car park and that Wallace was already in the hotel bar. The police, however, claimed that two of the cars had remained in the hotel car park since the TV event finished, and that neither of them had been in use on the 5th August. Bearing in mind that Wallace's car would also have been there when Superintendent Taylor arrived, he should have seen *three* 'It's a Knockout' cars parked side by side if the police claim is correct. Referring to the confusion over evidence relating to the alleged car sightings as a whole, the trial judge told the jury:

"It sounds almost at times as if we were dealing with unidentified flying objects."

The failure of the police to identify and interview certain obviously key people associated with the case is most disturbing. Mention has already been made of the woman seen with Lewis on the night before he vanished, and of the man seen with him in the Golden Goose Hotel at a time after the police claimed he had been knocked unconscious. The existence of an even more mysterious figure emerged during the trial when a local fisherman claimed that he had seen someone searching the Arun riverbed by torchlight at half past midnight on the night Lewis vanished, and at the exact spot where his watch and keys were later found. The Prosecution accepted that the mysterious figure could not have been Wallace because all the evidence showed that he was then still attending the dinner party some miles away. The fisherman, who had been standing on the main A27 road bridge over the Arun, said that the incident was most odd because it would have been highly dangerous for anyone to clamber down the steep, slippery riverbank even at low tide, and it was difficult to imagine what anyone could be looking for in the river at that time of night. Despite all the publicity surrounding the case, none of the unidentified people mentioned have ever come forward to be identified, nor are the police aware of their identity.

The police had claimed that Wallace had driven the unconscious man down a narrow lane to the riverbank and then dumped him in a sluice gate directly opposite the end of the lane. This is contradicted by evidence relating to where Lewis' watch and keys were found - the keys by the side of a towpath to the North of the sluice gate ten days after he disappeared; the watch on the towpath to the South of the sluice gate. The police theory was also contradicted to some extent by one of their own divers. Sgt. Cannon, who told the court that a "skid mark" found on the concrete bank of the river by the sluice gate was probably made by someone climbing out of the river or by a boat, rather than by an inert body being slid into the water.

Having listened to the Prosecution case, the judge directed the jury that he was going to remove the original charge of murder from their considerations. In his summing-up he said:

"Here there is no direct evidence from any witness that the accused was responsible for the crime alleged against him. The evidence is all circumstantial."

The jury retired to consider their verdict just before lunch on Friday 20th March. They returned at approximately 4.00 pm to say that they could not reach a unanimous verdict. The judge said that the court would rise at 4.00pm and if they had still not reached a unanimous verdict by then he would accept a majority verdict. They returned at 4.25 with a unanimous verdict of 'guilty'

Following his conviction, Wallace applied for leave to appeal, but this was rejected. (By coincidence, one of the judges who rejected his application had been a member of the 'Bloody Sunday' Inquiry in 1972 on which Wallace worked as an Army psychological operations officer.) He then petitioned the Home Secretary, asking that various "irregularities" concerning the events leading up to his conviction be "investigated independently of those police officers who carried out the original investigation." The Home Office agreed to look into the points he raised but passed the investigation back to the Sussex police and *not* to an independent force.

In his petition Wallace listed a number of witnesses whom he claimed had given statements to the police in 1980 about alleged sightings of the 'It's a Knockout' cars on

the 5th August but whose evidence had not been considered at his trial. In particular, two independent witnesses, one a retired barrister, the other a salesman, had told the police that they had seen one of the cars being driven by a woman on that day. One witness had seen one of the cars near a lake on the outskirts of Arundel at around lunchtime when Wallace and his car were at the Council offices in Littlehampton where he worked. The other saw a woman parking one of the cars at Worthing at around 6.30 pm that evening. It is clear from all the evidence presented at Wallace's trial that at that time he and his car were some ten miles from Arundel. The reported sighting of an 'It's a Knockout' car near the lake is significant because three other witnesses claimed that they too had seen one of the cars parked at the same spot just before 10.00 pm on the 5th August, when Wallace was still at the dinner party.

One of the strange aspects of the case was the number of unfounded rumours being circulated by official sources to potential witnesses in the early stages of the investigation. For example, it was claimed that a child who had disappeared from a nearby picnic site on the day Lewis vanished, had been kidnapped by Wallace to lead the police away from his own activities. The police have now admitted that there was absolutely no connection between Wallace and the child's disappearance - the child was later found alive and well having just wandered away from its parents. Even more bizarre was a claim made by a police officer to a journalist at Arundel Magistrates Court that "Wallace had planned the murder of Lewis and then hoped to escape behind the Iron Curtain" - an interesting claim in the light of Wallace's background!

Wallace also referred the Home Secretary to matters concerning a background press briefing which police officers had given to journalists whilst his trial was in progress and said that one of the jurors had been seen talking with a reporter during a lunchtime recess. The juror, Wallace said, had been challenged by other people involved in the trial but had not reported the contact with the reporter to the court. Wallace pointed out that he did not object to the police attempting to influence press reporting after the trial had ended but only to the fact that this has been done while the hearing was still in progress.

Exactly one year later, Wallace received a brief note which had been sent to him by the Home Secretary via the Governor of Lewes Prison saying that the Home Secretary had made enquiries into matters raised "but has concluded that these issues do not have the significance of throwing doubt on the safety of your conviction." Wallace replied that he found the Home Secretary's response "remarkable, and, indeed, disturbing" because at no time during the past year had any police officer or other official contacted him or his solicitors to discover what information he wished to have investigated or to obtain the names of those witnesses who could corroborate his claims.

In addition to writing to the Home Secretary, Wallace also wrote to the Chief Constable of Sussex pointing out a number of apparent 'irregularities' in the handling of the investigation and in statements made by police officers. For example, two police officers had, it would appear, written statements quite independently of each other at an interval of some two weeks, but managed to use exactly the same words and punctuation; and one officer had written a statement and apparently signed and dated it two weeks before an event referred to in it had taken place.

He also asked the Chief Constable to explain the attempted use by the police at the hearing of a bail application of a photograph which had been taken of him when he

was working at Army headquarters in Northern Ireland. In the photograph Wallace was shown in civilian clothes holding two automatic rifles. The police had been challenged about the picture by Wallace's counsel and, although they were by then aware of the nature of Wallace's work in Ulster, admitted that they did not know where, when or why the photograph had been taken, nor had they checked out the original source of the picture. It later transpired that the photograph had been taken in the Royal Ulster Constabulary Data Recording Centre where all weapons captured from Ulster terrorists were sent for examination!

The Sussex Police Authority replied saying that the various matters set out in Wallace's letter "have already been the subject of enquiry during your trial and in the years following your conviction. I am writing to inform you that it is not intended to make any further enquiries or have further discussion into these various matters."

Wallace points out that, as the official records show, "none of the matters contained in my letter were raised during my trial nor was the item regarding the apparent irregularities in the police statements ever raised by me on any previous occasion. "

Not satisfied with the Police Authority's refusal to answer his questions he wrote to the Police Complaints Authority who said that because the incidents referred to took place before the Authority was set up "they would not appear to have any jurisdiction to supervise any investigation which the police might carry out into your allegations." The Authority, however, again forwarded Wallace's complaint to the Chief Constable of Sussex.

On this occasion, Assistant Chief Constable J.D. Dibley replied to Wallace saying that "he did not propose to record as complaints" the matter raised because there appears to have been ample opportunity to question the matters you raise either during your trial or in the subsequent Appeal and petition to the Home Secretary." This response seems rather odd because, as Wallace points out, he waited for a whole year for the police to contact him as a result of the Home Secretary's request to the Sussex Police to investigate the affair. The subsequent report and statements taken by the police during the investigation are, it would appear, 'confidential' and have not been released to Wallace or his solicitors.

In July 1985 the Prime Minister asked Lord Trefgarne at the Defence Ministry to investigate and reply to a series of questions which Wallace had sent to her concerning the circumstances leading up to his conviction and to the Kincora scandal. A reply sent to Wallace by the Ministry of Defence said that the matters he had raised relating to Kincora were "the subject of investigation by the Committee of Inquiry into Children's Homes and Hostels in Northern Ireland and by the RUC", and "it would not therefore be appropriate to comment on the allegations." It is interesting to note that the Inquiry's report has now been published and it points out that Wallace's information was not considered by them because it was outside their terms of reference!

All the rest of Wallace's questions were totally ignored by the Ministry of Defence and his solicitor later commented: "I don't see any legal or other valid reason why the authorities should not answer Colin Wallace's questions. Perhaps it is a case that they might have been only too ready to provide robust answers if the conclusions were in their favour."

It would appear, therefore, that five years after the death of Jonathan Lewis the

mysteries surrounding Wallace's case not only remain unsolved but also grow deeper. Perhaps one of the most telling comments on the affair came from Professor Keith Mant, Head of Forensic Medicine at Guy's Hospital, who carried out a post-mortem on Jonathan Lewis in 1980 and who studied the forensic evidence available at the trial. In a written report on Lewis' death he said: "It would appear that the reconstruction of events by the police is wrong if Mr Wallace was involved."

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Appendix 8: Biographies

<u>ASTOR</u> , Hugh Waldorf:	1939 Intelligence Corps, Europe and S.E. Asia: 1947 assistant Middle East correspondent for <i>The Times</i> : 1948 Director Hambros Bank: 1956 board of Times newspapers: 1959 Deputy Chair Times Newspapers: NAFF Council member.
<u>BALL</u> George Joseph:	1921 MI5 (Civil Assistant to Military Intelligence): 1924 head of Government Central Intelligence Department (renamed Publicity Department): 1930-39 Director Conservative Research Department: 1940-42 Deputy Chair of Security Executive overseeing the intelligence services, particularly MI5
<u>BELOFF</u> Max:	1940-41 Royal Corps of Signals: from 1957 Professor of Government and Public Administration Oxford University: founder and Principal of University College, Buckingham: chaired NATO committee handling allocation of research grants: ISC Council.
<u>BENCHLEY</u> Thomas Frank:	WW2 Royal Corps of Signals: post-war with GCHQ and long experience with the Middle East: Ambassador to Norway 1968, Poland 1972: Deputy Secretary Cabinet Office 1975-76: ISC Council: ISC Council minutes June 1975 recorded "The chairman commented on the good fortune of the ISC to have had (Benchley) working with them during the winter."
<u>BENTON</u> Kenneth:	30 years with MI6, retiring in 1968: involved in ISC early on when the Conflict Studies were put out by the Current Affairs Research Centre of Forum World Features: travelled to Africa and the Persian Gulf to investigate terrorist and other threats to petroleum shipments coming to Europe and the Americas - Benton's oil study contains a detailed breakdown of Soviet intelligence personnel in Africa: wrote ISC Conflict Studies: author of espionage/thriller novels.
<u>CLIVE</u> Nigel:	Long career in MI6: one-time head of IRD(1968-70): wrote for ISC and recently ISC editorial consultant.
<u>CLUTTERBUCK</u>	Expert on counter-insurgency: WW2 served in Western desert and

Richard:	Italy: Palestine 1947, Malaya 1956, Singapore 1966: instructor at British and US Army staff colleges: chief army instructor, Royal College of Defence Studies (1971-72): lecturer in politics, Exeter University: author: ISC Council.
CROZIER Brian Rossiter:	<p>Although Crozier has always denied his connections to intelligence organisations it has been accepted in a number of publications that Crozier is some sort of intelligence asset both for MI6 and the CIA. It is probable that he was recruited either in the war when it was quite normal practise to recruit journalists for propaganda purposes - 1936 Journalist: 1941 Aeronautical inspection: 1943 Reuters: 1944 News Chronicle: 1948 Sydney Morning Herald: 1951 Reuters: 1952-54 <i>New Straits Times</i>. Note the curious Reuters appointment in the middle of the war - or when he re-joined Reuters and worked for the <i>New Straits Times</i> (used by IRD during the Malayan emergency). Crozier claims he became an anti-communist in 1946 after reading Kravchenko's <i>I Chose Freedom</i>. He appears to have strengthened his dislike of revolution while reporting in S.E. Asia. Not an unsophisticated anti-communist, he disowns McCarthyism not because he doesn't support the ideas of McCarthy but because McCarthyism was the "creation of the great communist propaganda machine and a hugely successful one" (<i>Daily Telegraph</i> 24 January 1977)</p> <p>In 1954 Crozier joined <i>The Economist</i> which increasingly looks like an outpost of British intelligence. In 1958 he became editor of the <i>Economist Foreign Report</i>. "Crozier provides cover for the agents on brief assignments abroad and furnishes intelligence information from time to time." (<i>Digest of the Soviet Press</i> No 51 1968). Although this is a Soviet source it's probably accurate. Although printed in 1968, it must have been compiled by 1960 at the latest, to judge by the stated career of an MI6 officer responsible for journalist assets. It may well have come from Philby.</p> <p>Philby worked for <i>The Economist</i> and <i>The Observer</i> in the Middle East until his defection. He had been suggested to <i>The Economist</i> by G.K. Young with support from Sir John Sinclair, both MI6. (Philby's place in the Middle East was taken by Patrick Seale.) The assistant foreign editor of <i>The Economist</i> from 1947-54 was Donald McClachlan of Naval Intelligence. Crozier's friend, later author for IRD and ISC, Dr. Patrick Honey (B) was at one time foreign editor of <i>The Economist</i>. A Reuter correspondent in Saigon, in 1965 Honey became Reader in Vietnamese Studies at the School of Oriental and African Studies. (Peoples' News Service 3 April 1979). Robert Moss, of course, worked for <i>The Economist</i>; and some reports claim that Geoffrey Stewart-Smith did, although it is not included in his current Who's Who entry. Dr Albert Still of MI6 (named by Philby) originated from <i>The Economist</i> Intelligence Unit.</p> <p>After leaving <i>The Economist</i> but before joining Forum World Features, Crozier toured South America for Encounter and The <i>Sunday Times</i>. A West German intelligence report (quoted in <i>Intelligence/Parapolitics</i> December 1984) says Crozier has been "a</p>

	<p>CIA agent for several years and none of his activities are unknown to the agency in Langley." Crozier is certainly an Atlanticist who finds strong support for his views in the USA.</p> <p>He has long supported the Common Market and has expressed the hope for a European supranationalism, (<i>Newsweek</i> 21 January 1974) presumably as a bulwark against communism. He has written biographies, and sympathetic biographies, of ultra-nationalists Franco and De Gaulle (criticising De Gaulle for his opposition to European supranationalism).</p> <p>In an issue of <i>International Review</i> in 1975 he looked to the military to step in following the breakdown of Western democracy - a breakdown he then saw as inevitable.</p> <p>Crozier also had a close friendship with Sir Arthur Temple Franks, one time head of MI6. 'Dickie' Franks was reportedly a hardliner at odds with his boss, Maurice Oldfield who was, by the standards of the intelligence world, something of a liberal. (Duncan Campbell, <i>New Statesman Reports</i> No 2, January 1981).</p> <p>Crozier was on ISC Council, NAFF Council, and a member of 'The Pinay Circle'.</p>
<u>CUSSOLD</u> Stephen:	background in intelligence: during sixties senior research assistant in the Foreign Office. Wrote two ISC Conflict Studies, one of them on Croat separatism.
<u>DAVIES</u> Evan (‘The Bishop’):	WW2 in the commandos and as bodyguard to Winston Churchill: in 1950s Special Branch officer in Kenya and Malaya during the emergencies: 1960s training MI6 officers, resigned, became London-based advisor on security to Gallaghers, the tobacco company. While with Gallagher Davies had helped set up ISC. In Southern Angola in mid 1970s at the time of the South African invasion: advisor to Unita: said he was there to produce an economic plan for Southern Angola. He was travelling with Robert Moss. 1979 security adviser in Saudi Arabia
<u>DUNCANSON</u> Dennis:	Malayan emergency. With Thompson on the 1961 British advisory mission to Vietnam: 1969 Reader in South East Asian Studies, University of Kent. Did ISC studies no 5 and 39.
<u>ELLIOT</u> Nicholas:	ex-leading light in MI6. Director of Lonrho, used for a number of MI6 operations. Chair of Lonrho at the time was son of Joseph Ball (see above). Member of Pinay Circle.
<u>EPRILE</u> Cecil:	According to Winter (1985 p156, 186/7) Eprile was one of those who helped set up Forum World Features. Eprile was editor in chief of South African magazine <i>Drum</i> before joining FWF as managing director. Also served as treasurer of Kern House Enterprises, channelling money to, among others, ISC. Moved to Washington just before FWF closed down. Did ISC study on the civil war in the Sudan. Author.
<u>FAIRBURN</u>	Australian National University: member of CIA-funded Australian

Geoffrey:	Association for Cultural Freedom, an off-shoot of the Congress for Cultural Freedom. AACF produced the magazine <i>Quadrant</i> .
<u>GOODWIN</u> Michael:	IRD, involved in book publishing fronts. 1935-47 BBC features and overseas news: WW2 Royal Artillery: editor <i>19th and 20th Century</i> (1945-52): 1952 toured US at invitation of State Department: editor Bellman Books (1952-55): Director Contact Publications (1955-60): Director Newman Neame (1960-65): financial advisor to International Association for Cultural Freedom (1967-73): ISC (1973-)
<u>HAMILTON</u> Iain:	editor <i>Spectator</i> in early 1960s: Forum World Features (1965-75): Managing Director Kern House Enterprises (1970-75): director of studies ISC (1975-77). There is a gap between <i>Spectator</i> and FWF, perhaps filled by place at IRD - some reports place him there.
<u>HONEY</u> Patrick:	Reuter correspondent in Saigon and foreign editor of <i>The Economist</i> : 1965 became reader in Vietnamese Studies at School of Oriental and African Studies: wrote for ISC and IRD: close friend of Brian Crozier.
<u>JANKE</u> Peter:	IRD and BBC external services before ISC role as senior researcher. Presented papers on political violence at conferences in Canada, South Africa, W. Germany, Switzerland, USA and UK. UK includes the National Police College and Royal Naval College at Greenwich. Strong links to South Africa with a number of publications in that country. Regularly published by RUSI and Brassey's. In 1978 helped compile South African 'Freedom Annual' published by South African government front Foreign Affairs Association. Involved in 'Control Risks' with ISC librarian Richard Sims.
<u>KAY</u> Hugh:	worked for ISC: "one of only two British newspapermen permitted to enter Angola in the early sixties after the 1961 flare-up". (<i>Fortune</i> June 1964)
<u>LE BAILEY</u> Louis:	Director General of intelligence at the Ministry of Defence (1971-75). ISC Council.
<u>LITTLE</u> Tom:	Joined Arab News Agency in Palestine in 1943: 1949 became its General Manager in Cairo and London: close to Nasser when other ANA people were being expelled. Wrote for <i>Times</i> , <i>Observer</i> and <i>Economist</i> while in Cairo. Heavily involved in all the IRD/MI6 news agency front companies. Involved with ISC, and London correspondent of 'Al-Ahram' and Saudi News Agency. Died 1975
<u>LUKE</u> William:	war-time in MI5: one-time secretary of the XX committee. Post war involved in supporting trading links with South Africa: trustee of the South Africa Foundation. Member of the grand council of FBI (now CBI), and on Council of Aims since 1958. Managing Director Lindustries: NAFF Council.
<u>MCMILLAN</u> Maurice:	wartime member of Intelligence School No 9 - MI9 offshoot: members included Airey Neave and Hugh Fraser. MP 1955: director of a number of MI6/IRD news agencies. Member of the European Movement.
<u>MORGAN</u> Ellis:	ex MI6: long career in the Middle East: 1973-79 political and economic advisor to Commercial Union Assurance.

<p><u>MOSS</u> Robert:</p>	<p>It seems difficult for the British left to take Robert Moss seriously but through American eyes he looks different: "acting in concert with a network of hawkish think tanks, intelligence officers, and honest but easily deluded conservatives, (Moss) has at critical periods spread disinformation in Chile, Britain and the US." (Fred Landis in <i>Inquiry</i> 29 December 1980) 1970-71 involved in setting up ISC. By 1974 Moss had written 4 ISC 'conflict studies' - 2 on Chile, 2 on Uruguay and 1 on Northern Ireland. 1973 working with CIA front Institute for General Studies (IGS) in Chile: makes first public call for a military government in Chile in CIA-funded magazine SEPA. (March 1973). 1975 founder member of Washington Institute for Study of Conflict - ISC's US branch. Founder member and then director of National Association for Freedom (NAFF) 1975: speechwriting for Margaret Thatcher 1976. Visited Argentina, addressed the Air Force on the value of the Argentine military government as a model for the rest of the continent: 1976 visited Angola with Evan Davies (see above): on editorial board of US 'new right' journal Policy Studies - wrote cover story for first issue. 1979 participant at Jonathan Institute first conference on international terrorism from whence a good deal of the 'Soviets behind world terror' line has emerged. Other participants included Pipes, Pohhoretz, Decter, Claire Sterling, Bush and Ray Cline. Another UK participant was Crozier. 1980 co-wrote international best-seller <i>The Spike</i> putting in factoid form some of the new right fantasies about the KGB.</p>
<p><u>NEAVE</u> Airey:</p>	<p>1942 joined P15 section of MI9, the escape organisation controlled by MI6. 1944 part of IS(9), Intelligence School No 9 (West European area) MI9 'secret army' attached to Shaef. 1945 Nuremberg on War Crimes Executive and, according to Rebecca West, working for MI6. In chambers with Margaret Thatcher who was then specialising in tax law. 1949-51 in Territorial Army version of IS9 which later evolved into SAS 23rd regiment (TA). Regarded by some as a psy-war expert. Tory MP from 1953. Ideologically a hard-liner who organised the election of Thatcher to leadership of Tory Party. Opposition spokesman on Northern Ireland 1976-79. 1979 murdered by INLA just before he was to take up the position of overseeing the intelligence agencies.</p>
<p><u>ONSLOW</u> Cranley:</p>	<p>MI6 till 1960. Experience in S.E. Asia. Left to take up a post in India in one of the MI6/IRD news agencies, either The Globe or The Star. Director of another of them, Near and Far East News Ltd. Tory MP from 1964. Under Thatcher took the job originally for Neave - oversight of intelligence complex.</p>
<p><u>PRICE</u> David Lynn:</p>	<p>came from IRD to Forum World Features in 1969. Spells in Djakarta and Paris; and served on the Poland and Arab IRD desks. 1970 researcher for ISC. In 1978 left to become consultant and political analyst on Middle East affairs. Editor 'Arab Oil', Kuwait. In 1975 the M.O.D. arranged for him to visit Oman. Trip paid for by the Sultan of Oman who bought several hundred copies of the resulting ISC study.</p>
<p><u>SCHAPIRO</u> Leonard:</p>	<p>Joined BBC monitoring unit in 1940: MI5 for the rest of the war, including a time in the German Control Commission. From 1970</p>

	Chairman of ISC. Professor with special reference to Russian studies at LSE. Schapiro and Beloff are remembered for the zeal with which they pushed the ISC to academic colleagues.
<u>SETON-WATSON</u> George H.N.:	intelligence during WW2, including SOE(Cairo). Professor of Russian and East European Studies at University of London: visiting professor to a number of universities including the Australian National University at Canberra. Member of the Council Centre for Strategic and International Studies, Georgetown University: Council of the RIIA. Author - some of his books published by IRD fronts.
<u>SHIPLEY</u> Peter:	Wrote ISC conflict studies: in Thatcher's cabinet office (left 1984). Expert on revolutionary groups in Britain..
<u>STIRLING</u> David:	1941 formed SAS: 1952-56 set up and ran Capricorn Africa Society, classic (but failed) attempt to co-opt the leaders of the African nationalist movement: Capricorn had backing of Colonial and Commonwealth Office with funding via banks, Ford, Rockefeller etc.:1964 recruiting SAS troops for 'private' ops in Middle East: 1967 set up Watchguard to provide bodyguards for leaders the British government approved - essentially a front: 1970 involved in the 'Hilton Operation' against Ghadaffi: 1974 GB 75: 1975 Truemid.
<u>THOMPSON</u> Robert:	a long career in Malaya and counter-insurgency: close to MI5. Rose to be permanent secretary for defence, Malaya: head of British advisory mission to Vietnam (1961-65). Knighted 1965: major influence on British Army thinking on counter-insurgency. Member of Council of NAFF. Author: some books published by Forum World Features.
<u>THOMPSON</u> W. F. K.:	<i>Daily Telegraph</i> military correspondent 1959-76: on IRD's distribution list: ISC Council member.
<u>TUCKER</u> Herbert Harold:	Journalist during the forties: spell with the economic information unit at the Treasury before joining the Foreign Office: 1972 IRD: 1974 Deputy head IRD: 1974 -83,Canberra and Vancouver.
<u>WATSON</u> John Hugh Adam:	Long career in the Foreign Office, including a spell with IRD: 1973 visiting fellow at Australian National University: 1974 onwards, Director General of the International Association for Cultural Freedom, the renamed CIA-backed Congress for Cultural Freedom.
<u>WILKINSON</u> Peter:	member pre-war dining club 'Castlereagh' whose members included Airey Neave and (Sir) Val Duncan, later chair of Rio Tinto Zinc: worked with Colin Gubbins in Poland in 1939 and on the secret 'auxiliary units' which were prepared for possible German invasion: SOE with Gubbins. Post war head of IRD and senior posts in the Foreign Office. 1968 Chief of Administration of the Foreign Office: 1972 Co-ordinator of Intelligence and Security in the Cabinet Office. Retired 1976.

**Wilson, MI5 and the Rise of Thatcher
Covert Operations in British Politics 1974-1978**

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Hull, HU5 2SX, UK.

Please make cheques payable to Steve Dorril.

The Lobster is printed and published by Voice, Unit 51, 260 Wincolmlee, Hull, UK.