In his 1987 book *Spycatcher* former MI5 officer Peter Wright revealed one of MI5’s biggest secrets; but focused as we were on his comments about the plotting against Harold Wilson, we didn’t initially notice the section on page 175 where he wrote that the Communist Party of Great Britain (CPGB)’s ‘Reuben Falber......had recently been made cashier of the Russian funds.’ Wright tells us that MI5 planned to burgle Falber’s flat in search of the files detailing the payments but their plan failed – and he leaves it there. To MI5 in 1958 the proof of the ‘Moscow gold’ must have had something of the status of the Holy Grail and Wright apparently wanted us to believe that, aware that the CPGB were getting actual cash money from the Soviets, MI5 were either unable to detect the payoffs in London, or, having made one failed attempt, just gave up. This is simply not credible.¹ The point is that MI5 knew about the ‘Moscow gold’ and said nothing about it. Had the existence of Soviet funding been revealed in the late 1950s, the CPGB would have been irreparably damaged. But for MI5 this ‘secret’ link to the Soviet Union was too useful a tool for use against the left in the UK, particularly the Labour

¹ Falber admitted his role in 1991 after details of the Soviet payments were found in files in Moscow. There is new information on the ‘Moscow gold’ in Christopher Andrew’s new official history of MI5. See the review in ‘Books’ below.
Party. In effect MI5 let the CPGB run as a honeytrap for the British left: anyone who made contact with it, supported it, wrote for it, could be legitimately investigated as they were in touch with a body funded by an ‘enemy power’.2

In 1984, 36 years after MI5 first discovered the ‘Moscow gold’, this Soviet ‘trace’ provided the British secret state with the justification to undertake full-scale offensive operations against the leadership of the NUM. As NUM president Arthur Scargill had been a member of the Young Communist League, and was trying to set up an international mineworkers body with representatives of the mineworkers’ unions of the Soviet bloc; vice-president the late Mick McGahey, was a member of the CPGB; and general secretary Peter Heathfield’s then wife, the late Betty Heathfield, had been a member of the CPGB; it wasn’t hard for the secret state to present this as a communist conspiracy.

In charge of MI5’s operation against the NUM, then the head of its F2 branch, Stella Rimington, wrote later:

‘The 1984 miners’ strike was supported by a very large number of members of the National Union of Mineworkers, but it was directed by a triumvirate who had declared that they were using the strike to try to bring down the elected government of Margaret Thatcher and it was actively supported by the Communist party. What was it legitimate for us to do about that? We quickly decided that the

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2 How did MI5 know about the Soviet funds to the CPGB? Perhaps through their penetration of the CPGB, though the knowledge of the money was held very closely within the Party. [For more on this see my review of Christopher Andrew’s *The Defence of the Realm* below.]

Perhaps through Morris Childs, the American Communist Party’s link with the Soviets, their bagman, who was an FBI agent. On Childs see, for example a summary of the major book on this subject at <http://findarticles.com/p/articles/mi_m1282/is_n4_v48/ai_18111844> and see also <www.theatlantic.com/doc/200207/garrow>, an essay by David Garrow who first discovered Morris Childs’ role with the FBI.
activities of picket lines and miners’ wives’ support groups were not our concern, even though they were of great concern to the police who had to deal with the law-and-order aspects of the strike; accusations that we were running agents or telephone interceptions to get advance warning of picket movements are wrong. We in MI5 limited our investigations to the activities of those who were using the strike for subversive purposes.’ 3

A year later she added to that account:
‘The leaders of the miners strike themselves had actually said that one of the purposes of the miners strike was to overthrow Mrs Thatcher who was the elected Prime Minister of the country and the industrial department of the Communist Party was very involved in all sorts of different ways in the strike and that was of concern to us, that’s what we were interested in.’ 4

Rimington’s central proposition is false: the CPGB and its industrial department did not support the strike at all, much to the disgust of many of its members. In 2005 Arthur Scargill said:
‘We had a number of people and industries that deliberately betrayed the miners. For example, the Communist Party bears a heavy responsibility for what took place. They were pushing from day one for the strike to be called off.’ 5

Rimington denies that MI5 was running agents, which may be technically true: police Special Branches ran the agents; but

4 <http://news.bbc.co.uk/nol/shared/spl/hi/programmes/true_spies/transcripts/truespies_prog2.txt>
5 <http://www.anphoblacht.com/news/detail/8342> See also CBGP member Graham Stevenson’s account of the internal politics of the CPGB at the time of the strike at <http://www.grahamstevenson.me.uk/archives/000047.html>
they reported to MI5.6 Rimington denies running telephone intercepts, which may also be true. Guardian journalists were told by employees of GCHQ that, with its larger partner the NSA, GCHQ was surveilling the NUM and its attempts to hide its resources from state sequestration. (Again the Soviet ‘trace’ would justify this.)7

The role of encouraging strikebreaking was taken up by the private sector and the politicians: David Hart, residing in a suite at Claridge’s Hotel, backed by Mrs Thatcher and funded by persons unknown, spread money and personnel around the non-striking miners. Local police forces, supplemented by the Metropolitan Police, did the crowd control/strikebreaking duties among the pits.8

The operations by the British secret state against the NUM in 1984/5 were the climax of almost two decades in which the growing presence of the left in politics and trade unions was met, investigated, surveilled and countered by an alliance of politicians, employers’ organisations, anti-communist and anti-socialist trade union officials, and state officials in what we might call an anti-subversion network. In 1964, when Labour won the general election, this network consisted of: the Economic League and the Aims of Industry; MI5 and local police Special Branches; the state’s anti-communist research/propaganda/psy-ops outfit, the Information Research Department (IRD); IRD’s media assets; anti-communist groups in the labour movement, most obviously Common Cause and its offshoot, Industrial Research and Information Services (IRIS); US London embassy employees, usually labour

6 See <http://news.bbc.co.uk/1/hi/programmes/true_spies/2351547.stm> for an account by former Special Branch officers of recruiting informants among the NUM and <http://www.guardian.co.uk/politics/2002/nov/01/uk.military> for an account of Special Branch’s agent in the NUM leadership.
8 There were many rumours at the time of soldiers being drafted in as civilians but none of these stories have been stood up.
attachés, and the CIA; and parts of the Labour Party’s organisation, the party agent network and the Organisation Subcommittee.  

In 1964 Labour was in office for the first time since Attlee. And the left grew and industrial conflict grew. Wilson and Barbara Castle tried to reduce the unions’ power with the ‘In Place of Strife’ proposals, but were seen off by the unions and the Parliamentary Labour left. Labour lost the election in 1970. In came Edward Heath who wanted to turn Britain into West Germany, with membership of the EEC, and a semi-corporate state in which the trade unions are embraced by the state in exchange for influence. (Essentially the same thing that Harold Wilson and Barbara Castle sought.) The trade unions resisted this embrace (registration under the Industrial Relations Act) and industrial conflict grew. The ‘flying pickets’ of the Yorkshire NUM famously prevented the police from keeping open the Saltley coke depot in 1972. In 1974 Heath called a ‘Who rules Britain?’ election and lost. Industrial militancy had apparently won a famous victory. But the NUM’s success at Saltley also produced a major expansion of MI5’s F branch, which monitored the left.

The wider public-private anti-subversion lobby believed (some members more seriously than others) that at the heart of the rising industrial militancy in Britain was the Communist Party of Great Britain, and particularly its industrial department, referred to by Stella Rimington above; and that the CPGB was an agent of the Soviet Union. To this theory of Soviet influence the Communist Party contributed by occasionally boasting of its influence on the Labour Party left;

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9 On IRD see Paul Lasmar and James Oliver, Britain’s Secret Propaganda War 1948-77 (Stroud, Gloucester: Sutton, 1998). On some of the American influences see Hugh Wilford, The CIA, the British Left and the Cold War (London: Frank Cass, 2003). The only overview of the network still appears to be my 1996 The Clandestine Caucus which is available at the Lobster website (www.lobster-magazine.co.uk) though it needs updating in places.
and the Labour Party itself unwittingly added the final touch in 1973 by abolishing the Proscription List of organisations – mostly 1950s Soviet fronts of no political significance and what were then tiny Trotskyist groups – that Labour Party members could not join. Look, said the anti-subversion network, this shows that the communists are in control of the Labour Party!

Part of the anti-subversion network took seriously claims from MI5 and CIA counterintelligence officers that Harold Wilson might be a KGB agent (though they had no evidence for this other than the suspicion of a Soviet defector). Thus among the network’s members there was the picture of a trade union movement manipulated if not run by the Soviet-funded CPGB and a Labour Party, in turn funded largely by the trade unions, headed by someone who might be a Soviet stooge.10

Labour took office again in 1974 and there followed two years of talks of coups, surveillance, disinformation and smears against members of the Labour government, climaxing with Wilson’s retirement.11 In the midst of this Mrs Thatcher became leader of the Conservative Party, was briefed by the anti-subversion network and apparently took on board the Soviet conspiracy theory. Her use of the expression ‘the enemy within’ about the NUM was a barely coded nod to the anti-subversion network.12 In the final paragraph of the thirty pages on the NUM strike in her bland memoir, The Downing

10 This theory was articulated by journalists such as Chapman Pincher of the Daily Express and can be seen in his Inside Story (London: Sidgwick and Jackson, 1977)
12 One of the network’s leading figures, Brian Crozier, who worked for the CIA and IRD, describes briefing Mrs Thatcher in his memoir, Free Agent (London: HarperCollins, 1993) pp. 131-133.
Street Years, she wrote: ‘What the strike’s defeat established was that Britain could not be made ungovernable by the Fascist Left.’ (p. 378) In his The Enemy Within (pp. 18/19), Seamus Milne quotes an unnamed chief constable as saying that he had been told by a Home Office official that Mrs Thatcher was ‘convinced that a secret communist cell around Scargill was orchestrating the strike in order to bring down the country.’

With ‘one of them’ now leading the Conservative Party, the anti-subversion lobby began operations against the trade unions – notably at Grunwick – and helped to set up the Freedom Association. Winning the election in 1979, the Thatcher faction of the Conservative Party began preparing for a showdown with what they saw as the heart of the communist conspiracy in Britain, the NUM. Thanks to the existence of the ‘Moscow gold’, kept secret by MI5, the secret state had the perfect pretext to use all its resources against the miners.

The end of the strike did not end the operations against the NUM’s leading officials. In 1990 an elaborate disinformation operation was mounted to portray Arthur Scargill and Peter Heathfield as personally corrupt. Two employees of the NUM at the time of the strike, Roger Windsor and Steve Hudson, and a Libyan living in England, were persuaded to state that Scargill and Heathfield had used funds from Libya – in cash – to pay the mortgages on their houses during the strike. This story was run initially in the Daily Mirror and on TV by The Cook Report. Neither bothered to check one basic fact: did Scargill and Heathfield actually have mortgages? They didn’t; and twelve years later, editor of the Mirror at the time, Roy Greenslade, apologised to Scargill and Heathfield for running the false story. In his account Greenslade describes how initially he wondered if the story was some kind of operation by the British state: the only witness the Mirror had to the transfer of the Libyan money
was Roger Windsor, NUM chief executive at the time. (The Libyan, Abassi, merely confirmed that Libyan money had been given to the NUM, not how it had been dispersed.) But Greenslade’s doubts disappeared when a second NUM employee, a former NUM finance officer, Steve Hudson, confirmed Windsor’s account of money being counted out and given to Scargill and Heathfield. Greenslade wrote:

‘Out of the blue, Steve Hudson, the finance officer whom Windsor had named as the other man in the room when the money was counted out, phoned one of our reporters. Hours later, he turned up in my office to give a taped interview in which he confirmed every word of Windsor’s account. He didn’t ask for payment and spoke under no duress.’

Ah, the logic of the tabloid journalist: he didn’t ask for money, so he must be telling the truth. (The fact that Roger Windsor was eventually paid a total of £80,000 by the Mirror does not seem to have raised a doubt about his veracity in Greenslade’s mind.)

Here we have a recognisable and quite elaborate disinformation operation. But by whom? We don’t know. Most suspect MI5. Stella Rimington was asked about Roger Windsor and MI5 and gave a very curious reply: ‘It would be correct to say that he, Roger Windsor, was never an agent in any sense of the word that you can possibly imagine.’

This baroque variation on the non-denial denial merely confirmed the suspicions. But like her specific denial that MI5 ran agents, quoted above, this might be technically true: Special Branch, who did run agents and reported to MI5, might have been running this (although it would be way off their normal range of known activities if they were). But it could be another agency. It might not even be a British one. Since the NUM leaders had been trying to form an international miners’ organisation with union leaders of the Soviet bloc, the CIA, for
example, which has tried to control European labour since 1945, would have been interested. We don’t know; and we may never know. But an operation it was and it conned the British media.\textsuperscript{13}

\textsuperscript{13} The operation is the subject matter of Seamus Milne’s excellent \textit{The Enemy Within} (London: Verso, 1994 and 1995)