

Introduction: **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.

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"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.

(Kennedy Lindsay, *Ambush at Tully-West*, [Dundalk, Ireland, 1980] p. 107)

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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 déjà 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 connections³ 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

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 p. 602). 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.

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

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.

fledgeling 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 (i.e. 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

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).

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.

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 five 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

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”.

¹⁰ 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”.

¹¹ 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, p. 272). (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 Continues at the foot of the next page*.

ISC's inclusion in this grouping is less surprising than it might look. Brian Crozier, 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 then the *Daily Telegraph's* military correspondent, and Professors Beloff, Schapiro and Miller, and Fergus Ling. These five joined ISC's original Council with Hugh Adam-Watson (resigned March 1974), Geoffrey Fairburn (resigned 1975), and Richard Clutterbuck (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, Peter Janke, Lynn Price and Kenneth Benton.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

Note 11 continued

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.

¹² 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.

¹³ 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.

¹⁴ 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.)

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 appears to be nothing more than the pretty standard business of trying to maintain intelligence "covers" by shifting the pieces around. 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 1974.¹⁶ 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.)¹⁷

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*

¹⁵ See appendix on ISC/FWF for the details.

¹⁶ *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.

¹⁷ *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.

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 Communism¹⁸ 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 report¹⁹ 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.²⁰

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.²¹

¹⁸ 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.

¹⁹ *Guardian* 1 August 1974.

²⁰ Knight (1982) p. 34

²¹ 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

In 1976, using South African Government money,²² 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".²³ 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.

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*.²⁴ Just before Kitson departed for Oxford the Army's Land Manual had been updated and a new section on counter-insurgency added;²⁵ 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.²⁶ 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

²² *Guardian* 11 February 1983. For a general picture of South African funding of political groups round the world see Rees and Day (1980).

²³ 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.

²⁴ Kitson (1971) See also the autobiographical *Bunch of Five*, Kitson (1978).

²⁵ Discussed in *State Research* October/November 1978 pp. 20-21.

²⁶ One French commentator, Faligot (1983) claimed that all of Kitson's theories were implemented. This is challenged in *Lobster* 10.

troops to break the (first) miners' strike,²⁷ 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".²⁸ 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 guerrilla warfare".²⁹

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."³⁰

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".³¹

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

²⁷ 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, p. 274) Soref was Vice Chair of the Monday Club in 1974. He wrote to the *Observer* (24 July 1977) criticising 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.

²⁸ *Newsline* (1981) p. 40.

²⁹ *Labour Research* December 1974.

³⁰ *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).

³¹ *Labour Research* December 1974.

freely; their fomenting of violent mass protest . . . preventive measures. . . etc.”³²

In April 1973 the Royal United Services Institute staged a conference on the “Role of the Armed Forces in peace-keeping in the ‘70s”. 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.³³

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.³⁴ In April 1974 a seminar on “revolutionary warfare” was attended by senior police personnel as well as those from the Army and the Navy.³⁵

The process of Army self-education included the employment of ISC which, in 1974, gave lectures on “subversion” at a number of military establishments;³⁶ and the employers’ intelligence service, The Economic League. The League’s report for 1973 noted (p. 8) “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”.³⁷

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

³² Quoted in Agee-Hosenball (1977 p. 10). Editor of was Maj-Gen. Charles Stainforth, on the board of Common Cause.

³³ *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, p. 11).

³⁴ Wilson’s “alarm” in Penrose and Courtier (1978) p. 241.

³⁵ Bunyan (1977) p. 282.

³⁶ Details in *Guardian* 16 July 1976.

³⁷ That 1973 report was the last occasion on which the League was so explicit about its activities.

non-tabloid press.³⁸ 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.³⁹

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

³⁸ 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

³⁹ 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 pp. 109-110). 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)

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.⁴⁰ 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.⁴¹

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

⁴⁰ *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.

⁴¹ See appendix on Tara.

has confirmed recently to the authors.⁴² (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."⁴³ (Stirling apparently wrote on the recurring theme of the time: "how to maintain vital services in the event of another general strike".⁴⁴

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.⁴⁵ (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.)⁴⁶

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

⁴² 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).

⁴³ *Times* 29 July 1974.

⁴⁴ *Ibid.*

⁴⁵ 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)

⁴⁶ *Times* 24 August 1974. On National Ratepayers Action Groups see Nugent and King (1979) ch. 2.

operation in the event of a major strike.”⁴⁷ 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.”⁴⁸

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.⁴⁹ *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” (i.e. 1974).⁵⁰

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,⁵¹ Stirling 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 memo⁵² 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

⁴⁷ *Guardian* 25 June 1974.

⁴⁸ *Ibid.*

⁴⁹ *Observer* 4 September 1977.

⁵⁰ *The Times* 23 August 1974

⁵¹ See biography of Stirling.

⁵² *Guardian* 4 September 1974.

(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),⁵³ 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.⁵⁴

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.⁵⁵

Although Neave 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.⁵⁶ 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."

⁵³ *Times* 24 August 1974. A "close friend" of Chapman Pincher. (Pincher, 1978, p. 350)

⁵⁴ 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, p. 127)

⁵⁵ *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 Courcey 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) p. 191.

⁵⁶ Printed in *Searchlight* 21.

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." ⁵⁷

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.)

⁵⁷ Nugent and King (1979) p. 97. Nugent and King also claim that Civil Assistance's Council split over the breakdown, several members leaving to join NAFF.

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.⁵⁸

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.⁵⁹ 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.”

⁵⁸ 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.

⁵⁹ *Daily Express* 18 July 1976. Reprinted in *Searchlight* 27 and discussed in *State Research* no. 2.

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 their 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 the Information Research Department 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".⁶⁰

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".⁶¹

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

⁶⁰ *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.

⁶¹ Winter (1981) p. 383.

Hain after the success of the Stop the Seventy Tour – with considerable help from BOSS.⁶² 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.⁶³

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;⁶⁴ and with Self Help.⁶⁵ 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

⁶² Winter ch. 27.

⁶³ *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 psy-ops 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.

⁶⁴ 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.

⁶⁵ 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.)

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.⁶⁶

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 directory⁶⁷ – 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.

The National Association for Freedom

As they drifted out of the press, GB 75 and Civil Assistance were replaced by

⁶⁶ 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.)

⁶⁷ Information from Barry Penrose.

the National Association for Freedom (NAFF) as the public focus of right-wing activity. NAFF's inaugural meeting was held on July 19 1975,⁶⁸ 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".⁶⁹

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." ⁷⁰

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".⁷¹ This analysis is shared to some extent by Neil Nugent who prefaces his study of NAFF – the best one to date – with quick resumés 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.⁷² While NAFF

⁶⁸ Letter from Aims boss Michael Ivens in *New Statesman* 29 July 1977. The basic NAFF anthology is Watkins (1978) with pieces by Churchill, Gouriet, 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.

⁶⁹ *New Statesman* *ibid.*

⁷⁰ Whitehead (1985) p. 213.

⁷¹ *New Statesman* *ibid.*

⁷² 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 seventies. There is an outline of his activities in Nugent and King (1979) pp. 80-83. Self-Help appeared on the fringes of the recent miners' strike. See for example, *Guardian* 14 November 1984.

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, 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);⁷³ Sir Robert Thompson 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 and Hugh Astor 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.⁷⁴

Also on board were a group of right-wing Tory MPs – Jill Knight (see Note 55), Winston Churchill (and Hastings, mentioned above), all from the Monday Club – and David Mitchell, Rhodes Boyson and Nicholas Ridley, these last three held 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

⁷³ 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)

⁷⁴ *State Research* no. 11 p. 76.

Paul Chambers, ex head of ICI.⁷⁵

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.⁷⁶

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 “notepaper 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.⁷⁷

We do take the point: it all looks more impressive, more cohesive, than it

⁷⁵ 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).

⁷⁶ 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)

⁷⁷ 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

Continues at the foot of the next page.

actually was; the connections actually mean less than they seem to.⁷⁸ 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

Note 77 continued

were unable to get the copy to him/her. From previous experience we have doubted 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 (p. 144). 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?

⁷⁸ Other organisations which look insignificant but turn out to be powerful might include the Labour Co-ordinating Committee in its early days.

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.⁷⁹ 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 1977.⁸⁰

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.⁸¹ 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

⁷⁹ A brief account of NAFF's legal activities against the unions is in *Labour Research* August 1977.

⁸⁰ Nugent and King (1979) p. 88.

⁸¹ *Ibid* p. 96 and confirmed by our source on NAFF.

– literally as well as symbolically – the enemy within.⁸²

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.⁸³ 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 MI5.⁸⁴

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

⁸² 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.

⁸³ 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.

⁸⁴ Pencourt (1978) pp. 8, 9, 228.

personal involvement in certain secret episodes.”)⁸⁵

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 (i.e. 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.”⁸⁶

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.⁸⁷
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.⁸⁸ (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

⁸⁵ Pincher (1978) p. 15.

⁸⁶ 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.

⁸⁷ See Pincher (1978) ch. 36.

⁸⁸ 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*.

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." ⁸⁹

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.⁹⁰

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

This crops up in Roth⁹¹ 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".⁹² Pincher attributes the story and the tracking down of the birth certificates to a former campaign manager for Wilson, William Gaunt.⁹³ 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

⁸⁹ Pincher (1978) pp. 30/31.

⁹⁰ 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.

⁹¹ Roth (1977) p. 2.

⁹² 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, p. 24)

⁹³ Pincher (1978) p. 252.

children to Marcia Williams" before the election in February 1974.⁹⁴ 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.⁹⁵

(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."⁹⁶

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".⁹⁷

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."⁹⁸ (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.⁹⁹ 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

⁹⁴ *Ibid* p. 41.

⁹⁵ This is obviously the story hinted at in *Sunday Times* 14 April 1974.

⁹⁶ Pincher *ibid* p. 41.

⁹⁷ Penrose and Courtier (Pencourt) 1978 p. 10

⁹⁸ Pincher *ibid* p. 45.

⁹⁹ Haines (1977) p. 218.

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?”¹⁰⁰ 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 concerned¹⁰¹ 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.¹⁰² Pincher also adds, in his account of this, that “he had the documents to prove them” (i.e. 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.”¹⁰³ Wilson adds, interestingly enough, that (somehow) he knew that Winston Churchill MP had heard the story.¹⁰⁴

(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.”¹⁰⁵

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.”¹⁰⁶

(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

¹⁰⁰ Penrose and Courtier p. 246.

¹⁰¹ Pincher *ibid* p. 43.

¹⁰² *Ibid* pp. 43/44

¹⁰³ Penrose and Courtier p. 233.

¹⁰⁴ Penrose and Courtier *ibid*.

¹⁰⁵ *Ibid* p. 233.

¹⁰⁶ *Ibid* p. 246.

mentioned only in Roth.¹⁰⁷

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

This cited by Pincher as originating with the defector Golitsin¹⁰⁸ 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* (p. 64) and *Too Secret Too Long* (p. 612). Richard Deacon rejects the Gaitskill story completely.¹⁰⁹

(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.¹¹⁰ 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 Milhinch 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.¹¹¹ The “Wigan Alps” story was offered to the *Daily Mail* and the *Guardian* just before the general election of February 1974.¹¹²

(i) *Allegations of income tax fraud by Labour ministers*

Once again this surfaces in Pincher¹¹³ 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

¹⁰⁷ Roth (1977) p. 2.

¹⁰⁸ Pincher (1978) p. 70.

¹⁰⁹ Deacon (1979) introduction p. X.

¹¹⁰ Pincher (1981) p. 214.

¹¹¹ Haines (1977) p. 202.

¹¹² Roth *ibid* p. 40.

¹¹³ Pincher (1978) p. 192.

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; and by Tory MP Ian Sproat.¹¹⁴ 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”,¹¹⁵ 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”.¹¹⁶

(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.¹¹⁷ 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 press¹¹⁸ 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)

¹¹⁴ 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.

¹¹⁵ Pincher *ibid* p. 28.

¹¹⁶ *Ibid*.

¹¹⁷ Milne (1976) pp. 196/7.

¹¹⁸ 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.

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.¹¹⁹

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”.¹²⁰

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

¹¹⁹ Then there is the question of the “bugging” of Harold Wilson. Both Deacon (1979) and Pincher (1978) 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 (p. 56) 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 92 above.

¹²⁰ See Penrose and Courtier (1978) pp. 235-9 on the Hart story; Pincher (1978) p. 7 for his comment.

Elizabethans" (sic).¹²¹

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*.¹²² 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.¹²³

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.¹²⁴

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

¹²¹ Correspondence with the authors. We understand that Colin Wallace has heard of "The New Elizabethans" in the context of other 'funny' groups in Northern Ireland, such as "The Covenanters".

¹²² Whitehead (1985) p. 128.

¹²³ 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" (p. 129) – 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.

¹²⁴ 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) pp. 219, 247, 259, 303.

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."

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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.¹²⁶ Just after Pencourt interviewed von Rothkirk, Transworld was burgled and the smear material about British politicians taken.¹²⁷

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

¹²⁵ Pencourt (1978) p. 303.

¹²⁶ *Ibid* pp. 303/4 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.

¹²⁷ Pencourt *ibid* p. 409.

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).¹²⁸ Josten had also been the channel for the Stonehouse revelations in 1974, after the latter's "fake" death.¹²⁹ (Josten also helped Frolik write his memoirs.)¹³⁰

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."¹³¹ 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 1974.¹³² 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

¹²⁸ Pincher (1978) p. 115.

¹²⁹ *Ibid*; and see also Deacon (1979) p. 224. Josten died 1985.

¹³⁰ Frolik (1975).

¹³¹ Pincher *ibid* p. 139.

¹³² Pincher *ibid* p. 138. *Times* 25 January 1974.

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?” ¹³³

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.¹³⁴ 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.¹³⁵ 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

¹³³ Pincher *ibid* p. 115. 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?

¹³⁴ *Monday World*, Summer 1974.

¹³⁵ See Fred Holroyd in *Lobster* 10.

Labour Party.¹³⁶

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."¹³⁷

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.¹³⁸

Assisted by the intelligence services, the Army:

- * misinformed Harold Wilson and Merlyn Rees about what was happening in the early days of the strike;¹³⁹
- * fed criticism of Rees to the press;¹⁴⁰
- * dragged its feet sending in reinforcements;¹⁴¹
- * tacitly co-operated with the strike.¹⁴²

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

¹³⁶ 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.

¹³⁷ Rees (1985) p. 80

¹³⁸ See remarks by Andy Tyrie acknowledging this in Whitehead (1985) pp. 171-4.

¹³⁹ Nossiter (1978) p. 141; Rees (*ibid.*) p. 78; Fisk (1975) pp. 105-7.

¹⁴⁰ Fisk (*ibid.*) p. 87.

¹⁴¹ Fisk (*ibid.*) p. 88

¹⁴² Fisk (*ibid.*) p. 240 and Bew and Patterson (1985) p. 67.

the UK population would say Ulster had had its chance politically and would advocate an all-out effort for a military victory.”¹⁴³

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.)

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.”¹⁴⁴

Joe Haines, Wilson’s press secretary, said of this incident: “We felt that elements in the Army were working against us”.¹⁴⁵

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’Connel (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.”¹⁴⁶

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:

¹⁴³ Bloch and Fitzgerald (1983) p. 226.

¹⁴⁴ Curtis (1984) p. 241. Also *Sunday Times* 13 March 1977.

¹⁴⁵ Haines in *Sunday Times* *ibid.*

¹⁴⁶ Haines (1977) pp. 137/8

"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."¹⁴⁷

Rees describes the document as showing "the true colours of the Provisional IRA."¹⁴⁸

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".¹⁴⁹

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."¹⁵⁰

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

¹⁴⁷ Geraghty (1980) pp. 195/6.

¹⁴⁸ Rees (1985) p. 62.

¹⁴⁹ *Times* 14 January 1976.

¹⁵⁰ *Sunday Times* 13 March 1977.

correct.)¹⁵¹

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.¹⁵² 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."¹⁵³

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".¹⁵⁴ What Rees didn't seem to know then, and may still not know¹⁵⁵ – 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

¹⁵¹ 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.

¹⁵² See Rees (1985)

p. 57 "No sooner. . . than it was leaked from Army headquarters"

p. 81 " . . . to find that my trip had already been announced on BBC news"

p. 84 "talk about rows with the Army came from Lisburn"

pp. 122/3 "low-level Army statement to the press from Lisburn"

pp. 234/5 "back to leaks"

p. 302 "more unattributable briefings"

p. 306 "revelations in *The Times*"

¹⁵³ *Sunday Times* 20 April 1975.

¹⁵⁴ Rees (*ibid.*) pp. 46/7, 51, 90

¹⁵⁵ 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.

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:

1. "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;
2. undertake operations to discredit the paramilitaries and their supporters; undertake operations to cause dissension within the ranks of the terrorists and their supporters and separate them from their 'grass roots';
3. undertake operations to discredit the paramilitaries and their supporters;
4. undertake operations to cause dissension within the ranks of the terrorists and their supporters and separate them from their 'grass roots';
5. 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 overview 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 dissension 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 MI5.¹⁵⁶

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 psy-ops campaign directed against himself.¹⁵⁷

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.¹⁵⁸

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

¹⁵⁶ Holroyd in *Lobster* 10; Geraghty (1980) p. 193.

¹⁵⁷ See Wallace appendix. Recent versions of Army misinformation on Wallace in Hammil (1985) and Pincher (1978) p. 197: "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.' " (Hammil (p. 173) This line, the "maverick, freelancer" line is also in Rees' book.

¹⁵⁸ 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.

clearer. Joseph Ball, one of the major *eminences crises* 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.¹⁵⁹ 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.*"¹⁶⁰ 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?¹⁶¹

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.¹⁶²

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.¹⁶³ 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

¹⁵⁹ Beichmann (1978) and Pronay and Taylor (1984). There is a biographical note on Ball in the appendices.

¹⁶⁰ *Guardian* 3 December 1982.

¹⁶¹ The information is all on computer nowadays.

¹⁶² The only change we are aware of is Harold Wilson's 1964 attempt to exclude MPs from surveillance. And this failed – see below.

¹⁶³ West (1982).

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?¹⁶⁴

The flood of information following the revelation of MI5 vetting within the BBC shows the government departments-MI5 link still going strong.¹⁶⁵ 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.¹⁶⁶

Time Out obtained and printed a Special Branch report on a Scots trade unionist, James Hogg. The report had been addressed to MI5.¹⁶⁷

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.¹⁶⁸

We know, we 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

¹⁶⁴ *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.

¹⁶⁵ See, for example, *Guardian* 18 August 1985 and 31 August 1985.

¹⁶⁶ *Guardian* 6 March 1981. Taylor Woodrow is one of the companies whose name crops up most frequently in the funding of right-wing groups.

¹⁶⁷ Discussed in *State Research* no. 20 p. 11.

¹⁶⁸ 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).

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."¹⁶⁹

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.¹⁷⁰

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.¹⁷¹

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".¹⁷² Passing information between British and American intelligence; networking on MI5's behalf with Aims, MI6, intelligence-linked

¹⁶⁹ 'Challenge to Britain: the British Communist Party's Structure, Professionals and Devotees' (1974). This makes an interesting contrast with his relatively under sourced essay in Crozier (1970).

¹⁷⁰ 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.

¹⁷¹ See note 167.

¹⁷² 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.

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.¹⁷³ 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.¹⁷⁴ 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-op 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

¹⁷³ 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.

¹⁷⁴ *New Statesman* 20 February 1981.

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."¹⁷⁵

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".¹⁷⁶

Wilson thought he had been under surveillance by the CIA. The basic

¹⁷⁵ 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.

¹⁷⁶ Pincher (1978, p. 39) 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."

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.¹⁷⁷

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.¹⁷⁸

Our thesis is not original. Other people, *Private Eye* and “Richard Shaw” (a pseudonym), for example, have seen the outlines of this.¹⁷⁹ 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.¹⁸⁰ (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

¹⁷⁷ *Guardian* 7 February 1981.

¹⁷⁸ 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 .

¹⁷⁹ For example, *Private Eye* April 1984 p. 5. “Richard Shaw” in *Counterspy* November 1981.

¹⁸⁰ Penrose and Courtier (1978) p. 246.

pursuit of Jeremy Thorpe.¹⁸¹

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." ¹⁸² 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".¹⁸³ 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 network 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".¹⁸⁴

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)¹⁸⁵

Closed the Resistance and Psychological Operations Committee (RPOC) (1976).

¹⁸¹ See Winter (1981) ch 34 and Penrose and Courtier (*ibid.*) pp. 41-44.

¹⁸² Pencourt (*ibid.*) p. 49.

¹⁸³ 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 available has appeared since. A fairly typical review of Pencourt at the time is Julian Symonds in *Sunday Times* 12 February 1979.

¹⁸⁴ 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.

¹⁸⁵ 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

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.

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