

Prime Minister

Agree to proceed as  
 Sir R. Armstrong recommends  
 in his paragraph 9?

Ref. A084/2403

PRIME MINISTER

Yes -  
 Letters as amended  
 no

FERB

8.9

Security Service: Mr Peter Wright's Allegations

In your letter of 6 August to Mr Leadbitter MP, replying to his letter of 22 July commenting on the Granada TV "World in Action" programme in which Mr Peter Wright reverted to his theme that Sir Roger Hollis was probably a Soviet agent, you said that you were having Mr Wright's dossier, made available to you by Sir Anthony Kershaw, thoroughly examined, and would write to Sir Anthony about it in due course.

2. With your agreement I had seen Sir Anthony Kershaw on 31 July; I reported that meeting in my minute of that date (A084/2204).

3. Sir Anthony Kershaw subsequently wrote to me on 10 August; I attach a copy of his letter. It is a curious letter. He accepts that a further inquiry into the allegations about Sir Roger Hollis is unlikely to be productive, and should not be undertaken, but follows the line taken by Mr Arthur Martin and other former members of the Security Service to the effect that the Government should assume that the Security Service was penetrated between 1945 and 1965 and decide what further steps are necessary to safeguard against future penetration. He also asks a number of questions about the Prime and Bettaney cases, which look as if they may have a journalistic origin.

4. The Wright dossier has now been examined in great detail by the Security Service (including a number of people not hitherto concerned with the matter), and they have produced a commentary as long as the original dossier. Both the dossier and the commentary have also been carefully studied by Lord Trend.

5. The thesis of the dossier, and the "evidence" on which it is based, are the same as in Mr Chapman Pincher's book "Their Trade is Treachery", published in 1981. It demonstrates

clearly that Mr Wright was Mr Pincher's primary source for that book. There is nothing new of significance in the dossier. The examination has brought to light many factual inaccuracies and many false or faulty inferences. It shows that in a number of respects Mr Wright has shifted his ground since the investigation of Sir Roger Hollis in which he played a part. It is also clear that there was a good deal that Mr Wright did not know, because he was not told, of what was happening during the investigation. There is nothing in the dossier which should lead you to withdraw or alter anything that you said in your statement in the House of Commons on 26 March 1981, following the publication of Mr Pincher's book. Indeed, the effect of the dossier and the commentary on Lord Trend has been to strengthen his belief that Sir Roger Hollis was not a Soviet agent.

6. Mr Pincher is known to have another book on the stocks on this subject, under the title "Too Secret Too Long: the betrayal of Britain's crucial secrets". It is to be published later this year by Sidgwick and Jackson (who published the last one). Knowledge of its contents is being very closely guarded, and we have not been able to find out much about it, but the Security Service believe that it is a rehash of the allegations against Hollis and the other allegations in the earlier book, no doubt with more names and details which have become public property since then.

7. I have discussed with the Home Office, the Security Service and Lord Trend what course of action to recommend to you. You are committed to writing to Sir Anthony Kershaw about the Wright dossier, and we should see advantage in your doing so before Mr Pincher's book comes out. But you clearly should not - indeed cannot - discuss the dossier in detail in a letter to Sir Anthony Kershaw. We think, therefore, that your letter should say simply that it has been examined, that it contains many inaccuracies and false or faulty inferences, that it sings the same song as Mr Pincher's book of 1981, and that it contains nothing that would lead you to withdraw or alter anything you

said in your statement in the House of Commons on 26 March 1981, following the publication of that book.

8. We think that, before you send such a letter, it might be advantageous to take Sir Anthony Kershaw a little further into our confidence, on an oral and confidential basis, about the inaccuracies and discrepancies in the Wright dossier, in the hope that it might be possible in some degree to counter the effects upon him of having talked to Mr Arthur Martin and one or two other people who think like him. It is proposed therefore that we should use the opportunity presented by Sir Anthony's having written to me, and that I should invite him to come in for a talk, following his letter of 10 August. If he accepted that invitation, I would have with me for the talk one or two people from the Security Service who would be able to speak more fully about the inaccuracies and inadequacies of Mr Wright's dossier.

9. If you agree, therefore, I suggest that we should proceed as follows:

--- (1) I should write to Sir Anthony Kershaw as in the draft at Annex A;

(2) If he accepts my invitation, I would see him, together with some one from the Security Service, and be prepared to say enough to convince him that our views on Mr Wright's dossier are well-founded;

--- (3) Subject to what transpires at my meeting with Sir Anthony Kershaw, you should then write to him as in the draft at Annex B. This draft is intended to be fit for publication. The draft is not final at this stage, but is subject to further change and improvement in the light of the meeting with Sir Anthony Kershaw.

10. I am sending copies of this minute and the draft letters to the Home Secretary.

RA

ROBERT ARMSTRONG

7 September 1984

SECRET AND PERSONAL



10 DOWNING STREET

*From the Principal Private Secretary*

Sir Robert Armstrong

Security Service: Mr. Peter Wright's Allegations

The Prime Minister has seen your submission of 7 September (A084/2403). She has agreed that we should proceed as proposed in your submission, and that the next stage is for you to write to Sir Anthony Kershaw as you propose.

As regards the draft letter for her to send to Sir Anthony Kershaw in due course, the Prime Minister has suggested omitting the first sentence of the paragraph starting half way down page 2, and the words after the colon in the third sentence of that paragraph; and also everything down to the words "I do not believe" in the bottom paragraph of page 4. She has suggested abbreviating the opening two sentences of the previous paragraph to read:-

"These arrangements were comprehensively reviewed and strengthened in 1962; and again in 1982 by the Security Commission."

The Prime Minister has also queried whether the fourth sentence in the third paragraph on page one, about Mr. Wright's state of knowledge while the investigations and inquiry were going on, is helpful.

F.E.R.B.

10 September, 1984.

SECRET AND PERSONAL

From: SIR ANTHONY KERSHAW, M.C., M.P.



HOUSE OF COMMONS  
LONDON SW1A 0AA

CABINET OFFICE
A 6301
14 AUG 1984
FILING INSTRUCTIONS
FILE No. ....

10th August, 1984.

cc - PS/Sir B Cubbon  
Miss Nicholson  
Sir A Duff  
~~PS/Sir A Acland~~

*Dear Armstrong,*

I write to say that I hope that a decision about what response to make to Peter Wright's Memorandum will not be made solely on the basis of what is found in the Memorandum. I can understand that Government might take the view that if there are no new facts in the Memorandum, then there is no point in having a new enquiry. However, even if there are no new facts, you will have gathered from the Memorandum that Wright says that the wrong deductions have been made. He is supported in that opinion by a number of former professionals, to some of whom I have spoken, and by others, some of whom you know, who have expertise in these matters.

The Trend Report, as summarised to the House, declined to condemn Roger Hollis. I doubt whether that conclusion will ever be effectively challenged, nor is it necessary to undertake the heavy and perhaps in several ways painful work of trying to find more evidence.

The point today about the Hollis affair is surely that there was a strong possibility that he was a traitor, and that the only prudent, and indeed reasonable way to react, is to assume that he was a traitor when deciding what steps are necessary to ensure that nothing of the same sort ever happens again.

Those steps must obviously include some sort of monitoring organisation. It is not for me to suggest what that should be, though I do not believe that a Committee of a few Wise Men could do the job. I assert with confidence that public and Parliament will expect something to be done and to be said about the matter. Another enquiry may be regarded as otiose, but a statement about prevention of penetration in the future is I think looked for.

The problem will not be allowed to die down. Already we have had Wright's TV appearance and his Memorandum. Granada TV will hardly allow the matter to rest. Former MI5 men are regularly coming forward with letters to the papers and I have been asked by three publishing houses for help in getting rights from Peter Wright. And we both know that at least one very authoritative study will see the light of day before very long.

In addition to facts from the past years ending perhaps in 1964, there are some facts and sayings which fall to be considered in more recent times. The P.M. said to the House that the arrangements within the service for the prevention of treason "seemed to be working well" so that there was no reason to change them yet again.

.... /



HOUSE OF COMMONS  
LONDON SW1A 0AA

Since then we have had Prime and Betaney. It may be argued that the arrangements are not so good after all, especially in view of the fact that Prime was never even suspected until his wife betrayed him. The statement in Command Paper 8540 that procedures recommended by Lord Diplock "have worked well" is clearly wrong.

There are also, to me curious features of both these cases.

Prime must have been of great value to Russia. Why did they so easily, as it seems, allow him to give up spying for them? Could it be because they have others in place?

Betaney says he turned traitor because of what he saw in Northern Ireland. I do not for one moment believe that. I think he was a spy at his enlistment.

And how did it come about that such a person could be enlisted? He was a loner, a pederast, a person with obvious character defects. I bet he had a wet handshake too. Not the sort of person one would even ask to one's house. One must wonder who enlisted him and why he lasted so long. Was he protected?

On that subject are you satisfied with the sort of personnel being enlisted? Are they well enough paid and ranked to get the necessary quality?

All these allegations, memoranda and books will clearly need answering at the proper time. The proper time may be when the first rush so to speak has been seen and evaluated, which will I suppose be at or about the next sitting of the House. It would certainly be misunderstood if a negative statement were to be put out during the Summer holidays, nor would that save the subject from being raised in the House when we resume.

It is always so difficult for a Government to deal with these matters. The reticence they must observe does not make it easy or even possible to defend themselves to their own satisfaction. Parliament does realise that, and so do I. I am pushing this matter nevertheless because, as things have turned out at the moment, it seems to me timely for H.M.G. to make yet another attempt to calm the anxieties which people feel.

*Yours ever,  
Anthony Kershaw.*

Sir Robert Armstrong, G.C.B., C.V.O.,  
Cabinet Office,  
Whitehall,  
LONDON, S.W. 1.

DRAFT LETTER FROM SIR ROBERT ARMSTRONG TO  
SIR ANTHONY KERSHAW MP

Thank you very much for your letter of 10 August, following our talk on 31 July.

Peter Wright's memorandum has now been closely examined, and I have had a full report on it.

I believe that it might be useful if, before matters go any further, we were to meet again. You will understand that it is going to be difficult if not impossible for the Government to comment in detail on the memorandum publicly; but a meeting would provide an opportunity of indicating to you not only what the general attitude to the memorandum is likely to be but also of outlining in a little more detail, as one could not do in writing, what that attitude is based on. I could also comment orally on some of the points on the second page of your letter, again a little more fully than I could in writing.

If this proposal commends itself to you, would you like to call me by telephone, so that we can arrange a date?

DRAFT LETTER FROM THE PRIME MINISTER TO  
SIR ANTHONY KERSHAW MP

Following the recent Granada TV programme, Mr Peter Wright sent you a copy of his memorandum on the allegations against Sir Roger Hollis and their implications, and you agreed to make a copy of the memorandum available for study by the security authorities here.

That study has now been undertaken, and its results have been submitted to me.

You will obviously not expect me to comment in detail upon it in this letter. I can say, however, that both Mr Wright's thesis and the "evidence" adduced in support of it are basically the same as in Mr Chapman Pincher's book "Their Trade is Treachery". Furthermore, his memorandum contains many factual inaccuracies. It is also clear that Mr Wright did not know everything that was happening while the investigations and inquiry were going on. Many of the inferences he seeks to make do not follow from the material on which he seeks to base them. And he seems to shift his ground from one utterance to the next. It is of course eight years since he was officially concerned with these matters, and had access to the information.

There are a few people besides Mr Wright who think that there is evidence that the Security Service

was penetrated at a senior level at least until 1965, and that the available information points in the direction of Sir Roger Hollis. There are many others (it must also be said), who have taken a more responsible attitude towards their obligations of confidentiality but have had no less access to the relevant material, who take an opposite view with no less conviction. They do not agree that there is evidence to prove that the Security Service has been penetrated since the end of the Second World War, they are in no doubt that Hollis was not a Soviet agent, and they think that there is not a shred of justification in Mr Wright's material for the view that he was. They regard Mr Wright's case as nothing but circumstantial innuendo completely unsupported by factual evidence.

(In the end we are faced with a matter of judgment, not of proof.) It is not possible to prove that Sir Roger Hollis was a Soviet agent. It is even more difficult to prove that he was not, though that is what most of those concerned believe: (largely because, as always, it is impossible to prove a negative.) The whole matter has been the subject of exhaustive investigation, inquiry and review over many years. There is nothing in Mr Wright's memorandum, or in any of the various statements which Mr Wright has made to the press, which would lead me to withdraw or alter anything that I said in the statement I made

in the House of Commons on 26 March 1981, following the publication of Mr Pincher's book. I do not believe that any further inquiry could offer any prospect of further clarification, let alone certainty, unless some totally new information were to become available.

I have also, given my official responsibilities for security and intelligence, to have regard for the morale of the Security Service and the need to maintain its effectiveness in its primary role of safeguarding national security. The activities of Mr Wright and one or two other former members of the Security Service are, to say the least of it, unhelpful in this regard. It would not be right for me to impose on the Service the additional burden and distraction that a further inquiry would entail, unless there were some very good reason (which there is not) to believe that it would serve a useful purpose. In a matter of this kind there has to come a time for finality, to draw a line at the bottom of the account and close it. In my view that time has now come in respect of the Hollis allegations.

So much for the past. It might be said that, even if we are satisfied that the probability is that Sir Roger Hollis was not a Soviet agent, even if there is no evidence that the Security Service was penetrated in the years after the War, we must assume

that it has been and continues to be a target for penetration, and (as I said in the House in March 1981) make sure that the arrangements for guarding against penetration are as good as they can possibly be, both in that area and throughout the public service.

These arrangements [are kept constantly under review. They] were comprehensively reviewed and strengthened in 1962; and again in 1982, [with a review] by the Security Commission, [and implementation of its recommendations.] Further changes were made in the light of the Prime case, again following a report by the Security Commission. Bettaney's attempt to enlist as a Soviet agent was fortunately frustrated before any serious damage could be done; nonetheless the circumstances of that case are now being reviewed by the Security Commission, who will be able to say whether there should be further modifications of recruitment, personnel management or protective security procedures in the Security Service.

[I do not wish to sound complacent, because I accept the need for eternal vigilance in this matter. But (as I know you recognise) it is in the nature of the case that the few failures come to public attention while the many successes for which the Security Service deserve credit are not and can never be publicised.] [As I have more than once said in the House,] I do not believe that a system of external

monitoring is appropriate in this field, or indeed possible without in some degree putting at risk the security which the Services are there to protect. The Security and Intelligence Services are accountable to Ministers. In various statements in the House I have set out the arrangements for accountability in some detail, and I can assure you that my colleagues and I who have special responsibilities in these matters take those responsibilities very seriously. It remains my view that this accountability to Ministers, and the provisions for review of particular breaches of security by the Security Commission, strike the right balance between the need for those Services to operate in secrecy and the importance of guarding against the risks of penetration.