



TOP SECRET

Prime Minister

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Security of the Secret Services

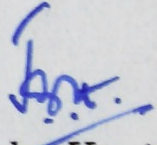
I had been waiting until you had settled in to tell you the story about the Fourth Man and also about certain unsubstantiated allegations of penetration by Russian intelligence of the Security Service in the 1950s and 1960s: but since you will be seeing the Heads of MI5 and MI6 tomorrow you should perhaps be aware of the situation in advance, even if you do not have time to study these papers in detail.

2. The Fourth Man is in any case likely to become a matter of public interest during the summer with the publication of two books:

- (a) "The Russian Connection" by 'Richard Deacon' (G.D. McCormick).
- (b) An unnamed book by Andrew Boyle.

3. Both could cause embarrassment, since they will lead to the identity (but not actually name) a Russian spy known to Burgess, Maclean and Philby, who served in the Security Service 1940-45 and has had a distinguished artistic career since. He is Sir Anthony Blunt, who was Surveyor of The King's/Queen's Pictures from 1945 to 1972 and maintained a connection with the Royal Pictures and Drawings until 1978.

4. A paper about investigations into the security of the secret services is attached at Annex 1 and a more detailed paper about Blunt is at Annex 2. A possible statement, with notes for supplementaries, for use if and when the Blunt story becomes public knowledge is already in draft.


(John Hunt)

8th May, 1979



TOP SECRET

Annex 1

Investigation of Russian Penetration of the Secret Services

In September 1945 two events caused the Security Service to initiate investigation into the possibility that there was Russian penetration of their own service and the Secret Intelligence Service (SIS). Firstly a Soviet Military Intelligence Service (GRU) cypher clerk named GOUZENKO defected in Ottawa. He identified many GRU spies in Canada and he gave a vague indication of a well-placed GRU spy in Intelligence in London. Secondly a Soviet diplomat in Istanbul named VOLKOV offered to defect for a reward of £50,000 and produced a list of information he said he could provide. As a result of PHILBY's treachery he was removed by the Russians before he could defect, but his proffered information included indications of the identity of seven Russian agents in the "special services".

2. The investigation did not produce results and it was not until a joint Anglo-American operation penetrated Russian war-time cyphers that progress was made in identifying some Russian spies, notably FUCHS in 1949, the United States spies, Mr. and Mrs. ROSENBERG, and GREENGLASS in 1950 and MACLEAN, the Foreign Office spy in 1951. In May 1951 MACLEAN had been warned by PHILBY (then SIS representative in Washington) through BURGESS that he was under close investigation. When he and BURGESS defected to Moscow, PHILBY in whose house BURGESS had lived while serving in the Embassy in Washington, immediately came under suspicion and was interrogated. He made no admissions but was invited to resign. At the same time Mr (now Sir) Anthony BLUNT, who had been a war-time Security Service officer (1940-45) and by then occupied the post of Surveyor of The King's Pictures in the Royal Household, was reported by an acquaintance to have been a Soviet agent in 1937 along with BURGESS. He was immediately put under investigation but there was no usable evidence to support the allegation and, though he was questioned 11 times over the next 13 years he did not admit to working for the Russians.

3. In 1956 Mr. Marcus Lipton MP asked a PQ about PHILBY's activities as a Soviet agent. No direct evidence at that time could be brought against PHILBY and he was given a public clearance by the Foreign Secretary, Mr. Macmillan, and was found a job in Beirut for the Observer newspaper.


TOP SECRET

4. In April 1962 a defector from the KGB named GOLITSYN gave second-hand information about a group of important spies who had known each other before the war at Cambridge University and had in war-time obtained posts in the Foreign Office or secret Services. They included BURGESS and MACLEAN and a head of Counter Intelligence (GOLITSYN did not know PHILBY's name). This information was supplemented in June 1962 by a report from a Jewess whom PHILBY had tried to recruit for the Russians in 1938 and who now reported the fact because she was offended by PHILBY's anti-Israeli reporting for the Observer in Beirut. PHILBY was interviewed in Beirut in January 1963 in the hope of gaining further intelligence and in two interviews admitted spying for the Russians between 1938 and 1945. He fled before attending a third interview. It was soon clear that he worked for the Russians until 1951 and again from 1956 to 1963.

5. Later in 1963 an American named Michael STRAIGHT, who was being vetted by the FBI for an arts post on the White House Staff, confessed that he had been recruited for the Russians in 1938 by BLUNT. For internal American reasons this confession was not used to charge STRAIGHT and for the same reasons could not be used to charge BLUNT in the United Kingdom. Permission was therefore sought from the Attorney General (Sir John Hobson) to offer BLUNT immunity from prosecution in return for information. This was done in April 1964 and from then until 1974 BLUNT provided information about his own activity in the service of the Russians during war-time, when he passed a great deal of material to them, and about others whom he knew or believed to have worked for the KGB or GRU before or during the war. The Blunt case is dealt with more fully in Annex 2.

6. When PHILBY defected to Moscow his third, American, wife was interviewed by a Security Service officer and said that he had become very nervous in mid-1962 and had begun drinking very heavily again. It was inferred therefore that he had received warning from someone in the Security Service that he was again under investigation and that he would probably be interviewed. At the relevant time this proposal was known to only five senior officers in the Security Service. Only two of these had long enough service and good enough



TOP SECRET

access to information to fit the earlier indications of penetration. They were the Director General (Sir Roger Hollis) and his Deputy (Mr. G.R. Mitchell). Moreover the defector GOLITSYN whose opinions then commanded general respect had been emphasising his own conviction that Western secret Services were penetrated at a very senior level. In this dilemma the investigating officer sought the help of the Chief of SIS, Sir Dick White (who was previously Director General of the Security Service) who advised him to investigate Mitchell. With Hollis' authority an investigation was conducted over a period of two years in the course of which Mitchell, for reasons unconnected with the enquiry, resigned and went into retirement. No evidence was found at any stage to show that he was or had ever been a spy.

7. In late 1965 Sir Roger Hollis retired at 60. It was then proposed that since no evidence had been found against Mitchell, Hollis should himself be investigated. After some delay an investigation was undertaken which included over fifty interviews of colleagues and acquaintances who had known him during the previous forty years. No evidence was found that incriminated him. Both men were eventually interviewed, Mitchell in 1969 and Hollis in 1971. Again no evidence was discovered which incriminated either. Further notes on these two cases are appended.

8. In 1965 a joint SIS/Security Service Working Party was established (and remains in being) to consider and review the progress of investigations into penetration of British Intelligence. When the two principal investigations of Mitchell and Hollis were completed, all leads indicating possible penetration were reviewed and categorised. There were about one hundred of them and half were found to have been provided by the defector GOLITSYN. The review eliminated those leads attributable to known spies e.g. PHILBY, BLUNT, BURGESS and those no longer susceptible of investigation (e.g. because sources and witnesses were dead or relevant papers destroyed). The residue of leads still meriting and susceptible of investigation was reduced to five by 1973 and to one by 1976. This sole remaining lead is still being pursued.

9. During 1974 it was decided that in cases involving the investigation of officers who were well-known to the heads of either Service an independent assessor should see the papers, to satisfy himself that the investigations had been

TOP SECRET

vigorously and impartially conducted and report as appropriate to the Secretary of the Cabinet. Lord Trend, the former Secretary of the Cabinet who had great experience in these matters, agreed to act as assessor and continues in that role.

10. The arrangements for independent assessment were made mainly to obtain an impartial view of the conduct of internal investigations but partly to answer persistent criticism by an SIS officer * ~~~~~ * who, over the years between 1973 and 1978 sent a number of communications to the Heads of both SIS and the Security Service alleging misconduct of the investigations. When his views were not accepted, he appealed to the Prime Minister (Mr. Wilson). Lord Trend was asked to review the investigations into the cases of Mitchell and Hollis and after a very full examination in May 1975 he reported that he agreed with the earlier findings by the investigators that there was no evidence which clearly indicated that either man was a spy. He also found that the only respect in which the investigation could be faulted was the delay in investigating Hollis. * ~~~~~ * was seen by Lord Trend and later by the Home Secretary (Mr. Jenkins). The papers were also seen by two Prime Ministers (Mr. Wilson and Mr. Callaghan) and they both agreed that * ~~~~~ * had produced no evidence which called for further investigation.

11. The treason of BLUNT is known to a number of people in Fleet Street and at Cambridge and is likely to become a matter of public comment with the publication of a book by Andrew BOYLE in October 1979 to be serialised in the Observer in September. This will recount the earlier history of the Cambridge spies BURGESS, MACLEAN and PHILBY and though it will not name BLUNT (for fear of libel proceedings) will probably give sufficient detail to enable the initiated to identify him.

Current enquiries and assessment

12. Several investigations have been carried out in recent years by the Security Service. There is constant monitoring in both Services of their recruitment and agent operations in order to prevent penetration. There is no current evidence of penetration in either Service (the latest indication is over 20 years old).

Security Service

May 1979

* ~~~~~ * Names deleted and retained under Section 3(u)

Ollwayland

11 March 2014

TOP SECRET



APPENDIX A

G R MITCHELL (Code-name PETERS)

The case for investigation was derived from the investigation of PHILBY in 1962. PHILBY was named by Flora SOLOMON in the summer of 1962 as the man who had in 1938 tried to recruit her to work for the RIS. He was already being investigated as a candidate for a spy indicated by information from the defector GOLITSYN.

2. It seemed from various indications (nervousness, drink etc) that PHILBY was aware long before he was interviewed of the fact that he was under investigation and was to be interrogated in Beirut (and that he consequently defected before the interrogation could be satisfactorily completed). Few people in the Security Service knew this. Of these the candidate chosen, apparently partly because of his socialist views, was the Deputy Director General, MITCHELL. Since he was in the Security Service in 1945, he also qualified as a candidate for the postulated spy whom the Russians needed for continuity when they acquiesced in BLUNT's plans to retire from the Security Service in 1945.

3. An investigation was mounted in 1963-64 using technical aids and surveillance as well as interviews with persons who had known MITCHELL well and several 'Barium Meal'*operations. Although several pieces of unusual behaviour were observed, which at first excited suspicion, no indication of espionage was obtained at any time. The investigation was re-opened in 1968 and a number of persons including MITCHELL were interviewed. It was concluded that there was no evidence or even an indication that he was ever a spy.

*ie provision of a piece of interesting intelligence to a suspected spy in the hope of observing a reaction.

APRIL 1979

TOP SECRET

TOP SECRET



APPENDIX B

Sir Roger HOLLIS (Code-name DRAT)

The case for investigation consisted of:

- a. A report in 1954 by the defector PETROV quoting RAZIN (a senior and successful NKVD officer) in 1943 that at that time there was operating in London a penetration agent who was a career officer and had access to files for Russian officers.
 - b. The reference in a decyphered Russian message of 21.9.45 to a "valuable agent network" in British Intelligence including three agents codenamed JOHNSON, STANLEY and HICKS (the latter two being identified from other evidence as PHILBY and probably BURGESS). "JOHNSON" was at that date said to be absent "on a mission". This was true of both HOLLIS and BLUNT. It was argued in 1968 that BLUNT was ruled out because he was about to retire from MI5 and was therefore no longer of continuing interest to the Russians.
 - c. A statement by VOLKOV, the NKVD official who tried to defect in Istanbul in September 1945 that he would give us details of seven RIS agents in the Special Services including the "acting head of a counter-intelligence directorate". HOLLIS was then in charge of F Division concerned with Communists and Russian espionage.
 - d. The postulate of a second high-grade spy in the Security Service, since BLUNT was allowed by the RIS to leave in 1945.
2. It was believed that only HOLLIS qualified as a candidate on all four counts. Moreover there was much about his pre-war life which required explanation, including
- a. Association at Oxford and later with Claud COCKBURN, Maurice RICHARDSON and Archie LYALL who had left-wing views and the first of whom was probably an RIS agent.

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TOP SECRET



- b. The uncertainty of HOLLIS' pre-war career particularly after he left China where he worked for British American Tobacco in 1936.
3. Finally he was a candidate for the supposed leak of our investigation of PHILBY in 1962.
4. An investigation was carried out during the years 1968-71. No technical coverage was used at HOLLIS' home because of special local difficulties but more than fifty interviews were carried out, including two with HOLLIS himself. No information was discovered to confirm the supposition of espionage; but there remained some reason to doubt that HOLLIS had been entirely frank about his life during the years 1937-39.
5. HOLLIS died in 1973; no evidence has come to light since then, from people who might previously have been inhibited by the law on defamation, to show that he was a spy.
6. Reappraisal of the four counts in paragraph 1 shows that:
 - a. RAZIN's spy was most probably BLUNT. The reason that RAZIN mentioned the London spy was that he was able both to draw the MI5 files for Russians and to arrange for surveillance of them. The latter was one of BLUNT's duties.
 - b. The three agents in the "valuable agent net-work" were clearly inter-conscious and had been run by a single Russian controller. We know this to be true of BLUNT, BURGESS and PHILBY. HOLLIS was for much of the war working at Blenheim and had less opportunity for regular contacts with the other two or the Russians.
 - c. The "acting head of a counter-intelligence directorate" could, depending on the original date of VOLKOV's information, equally apply to PHILBY.
 - d. If there was a spy in place to succeed BLUNT, it could have been anyone who remained in the Service after 1945; there is nothing to point specifically at HOLLIS.

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TOP SECRET



3.

7. Finally re-appraisal of the "leak" of our investigation to PHILBY in 1962 shows that his nervousness could reasonably be explained by the KGB's damage assessment of GOLITSYN's defection and their consequent warning to PHILBY that he might be at risk of exposure or reprisal.

APRIL 1979

TOP SECRET

Sir Anthony BLUNT

Case History

Anthony Frederick BLUNT was born in 1907. He was educated at Marlborough and Trinity College, Cambridge, where he remained as a don until 1937. He then joined the Warburg Institute in London and in 1939 was appointed Deputy Director of the Courtauld Institute of Art, University of London.

2. In August 1939 BLUNT enlisted and was commissioned in the Intelligence Corps. In July 1940 he joined the Security Service where he served until October 1945, when he returned to the Courtauld Institute, of which he was Director and also became Surveyor of The King's Pictures. From 1947 to 1972 he was also Professor of the History of Art at the University of London. He retired from the post of Surveyor of The Queen's Pictures in September 1972 but remained in the Household as Adviser for The Queen's Pictures and Drawings, then Adviser on the Drawings only until 1974. He resigned a residual honorary consultancy in November 1978.

3. BLUNT was a friend of PHILBY and BURGESS at Cambridge and like them moved in a circle where Marxist sympathies were openly held. After BURGESS and MACLEAN's defection in May 1951 he, like PHILBY, came under suspicion; he was also the subject of an allegation made to the Security Service by the writer Goronwy REES that in about 1937 BURGESS had told him that he (BURGESS) was a Comintern agent, and BLUNT was working for him in the same capacity. BLUNT was interviewed on eleven occasions over a period of years in the course of efforts to clear up this allegation and the other suspicions about him. He made no admissions of performing any services for the Russians and said that he was unaware that BURGESS was working for the Comintern; he had understood before the war that BURGESS was an agent of British Intelligence and had given his assistance in that belief. Efforts to obtain, by other means, information which would establish whether or not BLUNT had wittingly acted as a Soviet agent were unsuccessful.

4. In the early 1960's an important KGB defector to the Americans, GOLITSYN, provided a great deal of information about Russian espionage in Western countries. In dealing with Britain he spoke inter alia of an extensive

espionage group recruited in the 1930s and which was said to have five founding members. Members of this network, to which BURGESS belonged, were aware of each other's activities and the defector believed that through it the Russians had achieved serious penetration of British Intelligence. In the detailed investigation which followed, the case of PHILBY was reopened, leading to his confession in Beirut in January 1963 and subsequent flight. The defector provided no information which implicated BLUNT but subsequently an American, Michael Whitney STRAIGHT, volunteered to the FBI, who passed the information to the British authorities, that before the war BLUNT had recruited him to be "economist and adviser on policy matters for the International" and that he believed BLUNT had tried to recruit others. STRAIGHT confessed to the FBI that he had spied for the Russian Intelligence Service whilst working in the State Department and the Department of the Interior from about 1938 to 1940. He was not prosecuted and his evidence could not be used for a prosecution of BLUNT. STRAIGHT was appointed Deputy Chairman of the Arts Council of the United States under the Nixon Administration.

5. In view of BLUNT's former career in British Intelligence and his friendship with BURGESS and PHILBY it was concluded that it was essential to try once more to establish the truth about his role and in particular whether he answered to the allegations relating to penetration of British Intelligence, or could contribute to their solution. It was expected that he would maintain his denial of any guilty involvement, unless he were offered some inducement to confess. An approach was therefore made to the Director of Public Prosecutions.

6. On 15 April 1964, the Deputy Director of Public Prosecutions (acting in place of the Director, who had recently died) wrote to the then Attorney General, Sir John Hobson. The Attorney was informed that STRAIGHT had made an allegation that BLUNT had worked for the Russians and that it was the intention of the Security Service to interrogate BLUNT for the purpose of obtaining information from him about others who might still be a danger. The Deputy Director told the Attorney that he had authorised the investigating officers, if they felt it necessary in order to obtain the information, to assure BLUNT that there would be no criminal proceedings against him in relation to matters which

TOP SECRET

had occurred 20 or more years ago. The Attorney General replied the following day saying that he had no comment to make on what the Deputy Director had authorized.

7. BLUNT was interviewed on 23 April 1964, and was confronted with the information given by STRAIGHT. This produced no admission from BLUNT and, indeed, he described it as pure fantasy. The interviewers then put it to BLUNT that if it was fear that deterred him from speaking he could give him "an absolute assurance that no action would be taken against him if he now told the truth". BLUNT confessed then and both then and in subsequent interviews at which the assurance was repeated, he provided much useful information.

8. In his initial confession he said that he had been recruited for the Third International by BURGESS in the 1930s to work for the RIS. He said that his regular dealings with the RIS ended shortly after his departure from the Security Service in October 1945 but he admitted that he had known of MACLEAN's intended defection in 1951, and had put BURGESS in touch with an RIS officer at the time.

9. In later interviews BLUNT admitted to occasional meetings with RIS officers between 1945 and 1947, when he acted as a courier for BURGESS, and on one occasion between 1951 and 1956 when he assisted PHILBY in contacting the RIS. He also explained his role as a talent spotter for the RIS in the 1930s and spoke in detail of the cases of three undergraduates (including STRAIGHT) whom he had recruited for the RIS at that time. In addition he described BURGESS' work for the RIS and his recruiting activities on its behalf.

10. A Security Service research team, which was set up to investigate the group of five referred to by GOLITSYN and related cases, had considerable success aided by BLUNT's information in identifying personalities and activities of the network. In one notable instance, where his information and assistance played a significant part, a senior Admiralty scientist was removed from a sensitive post after it had been concluded (although it could not be conclusively proved) that he had been recruited for the RIS by BURGESS in the 1930s.

11. However, as more details were uncovered the interrogators felt that while the information BLUNT had given in his early interviews had been substantially true, he had not told all he could. Efforts to extract additional information from

TOP SECRET

him have been largely unsuccessful. BLUNT's reasons for withholding (he does not himself admit to it) are not known; nor is it clear that the information he is keeping back has security significance. The conduct of his dealings with interviewing officers has throughout been one of apparently trying to assist the Security Service in tracing unidentified Soviet agents while avoiding any statement in circumstances which might lead to proceedings against others which might involve him. He may still be protecting friends.

12. There remains the possibility that BLUNT retains some loyalty to the Russians and may even be under a degree of Soviet guidance and control. During an investigation which has lasted with occasional breaks for over 20 years this has been the subject of close examination, but with negative results.

13. The decision not to prosecute BLUNT was reviewed in 1972 by the then Attorney General, now Lord Rawlinson, who confirmed that the public interest lay in taking no action. In 1974 the next Attorney General (Mr. Silkin) considered the matter again and saw no reason to differ; he was also satisfied that nothing had occurred since 1972 which would justify a prosecution. The only firm evidence against BLUNT is his confession which, in view of the immunity given in order to obtain it, would be usable against him.

The forthcoming book

14. Mr. Andrew BOYLE who has written several previous biographies (of Group Captain Cheshire, Trenchard, Brendan Bracken and Erskine Childers) has recently completed the draft of a book about the Cambridge spies. The probable content of the book has become clear. For legal reasons BLUNT is unlikely to be named as the "fourth man" but it is likely that he will be sufficiently described for any intelligent reader to identify him. BOYLE's book may also suggest that there was a "fifth man", a British-born spy for the RIS who was later "turned" by the CIA and used against MACLEAN, BURGESS and PHILBY and was then rewarded with United States citizenship and a lucrative United States Government post. This story, which is believed to concern a Dr. W.B. MANN, is almost certainly untrue but is still being checked out with the Americans. The book after recounting the now well-known history of BURGESS, MACLEAN and PHILBY and their close friendship with BLUNT, will imply that in 1951 BLUNT, who still had social

TOP SECRET

contact with former Security Service colleagues, told BURGESS on Friday, 25th May, 1951, that MACLEAN was to be interrogated on Monday, 28th May, and that this was the reason for their very sudden decision to defect. There is no evidence to support this suggestion. BLUNT did indeed have occasional social contact at this period with the Deputy Director General of the Security Service, Mr. G. M. Liddell, which the latter recorded, but there is no record of any such contact between 17th May when the first proposal was made to interview and 29th May when it became certain that BURGESS and MACLEAN had defected. Moreover the decision to interview MACLEAN was taken at a meeting at the Foreign Office chaired by the Foreign Secretary on 24th May 1951 and the date was set for the week beginning 17th June, because of Mrs. MACLEAN's advanced pregnancy, which was expected to end then.

15. Mr. BOYLE's book may also imply that BLUNT confessed, implicated PHILBY and was "pardoned" shortly after he was knighted in 1956. The confession was in fact in 1964 by which time PHILBY had defected.

Damage assessment

16. Between 1936 when BLUNT was recruited into the Service of the Soviet Union and the outbreak of war when he left Cambridge to join the Army, his task was talent-spotting and recruitment in the university. His contribution to the infiltration of Soviet agents into our society was considerable.

17. While a member of the Security Service (June 1940 to October 1945) by his own account he passed to the RIS any information that came his way which he considered to be of possible interest to them. It must be assumed that this included information on his colleagues and others in Government service, of a kind which the Russians might hope to exploit then or later.

18. For his first three months' service BLUNT was concerned with vetting of military personnel and civil servants and he had only limited access to other information of value to the Russians. In October 1940, however, he became personal assistant to the Director of the Counter-Espionage and Counter-Subversion Division and at the end of that year he moved to the Counter-Espionage section where he remained until he left the Service five years later. In this section he dealt with material concerned with counter-espionage operations

TOP SECRET

against the German, Italian and Japanese Intelligence Services, and was particularly concerned with the use made by those Services of neutral diplomats, including Swiss, Swedes, Spaniards and Portuguese. He handled reports from agents, from decyphered diplomatic cables, and from telephone intercepts directed against diplomats serving in the United Kingdom and he was engaged in operations against neutrals' diplomatic bags. He had close liaison with the SIS. He was involved in double agent operations. He would have learned a certain amount about SOE operations. He handled files on some Russians living in or visiting the United Kingdom and would have had access to files on other Russians. He selected targets for surveillance operations. He drafted fortnightly reports on the work of all sections in the Service for submission to the Prime Minister.

19. During BLUNT's first nine months in the Service when the Soviet Union were in relations with Germany some of the information BLUNT provided may have been passed on to the Germans. This could have led to action against people who were helping this country, though we have no evidence of this. After the Russians were drawn into the war they would have been receiving from him information about our war effort which we would have not wished them to have, and information which may well have been useful to them in their longer-term plans for undermining the West. We know of one example of a Russian suffering as a result of BLUNT's activities: BLUNT revealed that a Russian source was passing information to SIS and was subsequently told by the Russians that a Soviet departmental official had been "dealt with".

20. In summary, whereas we know that people like PHILBY and BLAKE sent many men to their death, we have no evidence that BLUNT did that, and in the circumstances in which he was operating it seems unlikely. This does not mean that we can regard him as a traitor of minor importance: his disservice to the country was grave.

Other associates of BLUNT

21. A note on PHILBY, BURGESS and MACLEAN is attached as Appendix A. Some of BLUNT's other associates are discussed below.

John CAIRNCROSS

22. At Cambridge BLUNT talent-spotted John CAIRNCROSS, who worked as an RIS agent from 1936, when he joined the Foreign Office, until 1952, when he came under suspicion as a contact of BURGESS. CAIRNCROSS was from 1940 to 1942 Private Secretary to Lord Hankey, the Chancellor of the Duchy of Lancaster and Paymaster General. In 1942 and 1943 he worked at the Government Code and Cypher School at Bletchley and from 1943 to 1945 was in SIS. From 1945 to 1952 he worked at the Treasury (with a secondment of six months to the Ministry of Supply in 1951). In 1952 he resigned from United Kingdom Government Service after he had come under suspicion and from that time he worked in a variety of academic and administrative posts abroad until 1971. In 1964 he was interviewed in the United States and confessed to having been an RIS agent throughout his career. He could not be deported under American law and refused to comply with a formal invitation to return to this country and make a statement under caution. He is now living in Rome. We do not think Boyle's book will mention him.

Sir Dennis PROCTER

23. PROCTER met PHILBY, BLUNT and BURGESS at Cambridge first in 1929 or 1930 and has said that either BLUNT or PHILBY introduced him to Marxism about that time. He said in 1966 that he was still a Marxist. PROCTER served in the Treasury from 1930 to 1950. He then became Managing Director of a shipping firm but returned to the Treasury in 1953. From 1958 to 1965 he was Permanent Secretary in the Ministry of Fuel and Power, then he retired. He was a close friend of BURGESS and has said that he discussed official matters freely with BURGESS before and during the war. He was and still is friendly with Blunt. We do not think Boyle's book will mention him.

Goronwy REES

24. Goronwy REES was at New College, Oxford, from 1928 to 1931 and then became a Fellow of All Souls. He worked as a journalist on the Manchester Guardian and the Spectator from 1932 until the outbreak of war, when he joined the Army and served in Intelligence. From July 1947 to May 1951 he acted as a

TOP SECRET

part-time consultant in the Political Section of SIS. In 1953 he became Principal of the University College of Wales and since his resignation from that post in 1957 he has been a freelance writer and journalist.

25. REES has said he first met BURGESS in about 1932 and they remained close friends until 1951 apart from a disagreement over BURGESS' apparent swing to Fascism between 1935 and 1937. REES held left-wing views but is not known ever to have joined the Communist Party.

26. In May 1951, very shortly after the defection of BURGESS and MACLEAN, REES volunteered to the Security Service the information that in 1937 BURGESS told him that he was working for a secret branch of the Comintern and that BLUNT was one of his sources of information. REES said that BURGESS asked him to help in the work, and that he had agreed to co-operate but was never asked to provide specific information, though he discussed with BURGESS whatever he knew. He had broken off the arrangement in 1939 at the time of the Russo-German Pact. REES said subsequently that BLUNT had tried to dissuade him from telling his story to the Security Service.

27. REES has in newspaper articles (1956), a book (1972) and a TV interview (1978) told the story of his association with BURGESS and has told many people in Fleet Street and at Cambridge about his suspicions of BLUNT. It is clear from the context that REES is the source of many of the allegations and inferences about the "Fourth Man" in BOYLE's book.

The Bentinck Street Associates

28. When BLUNT returned from France in the summer of 1940, he stayed at Lord ROTHSCHILD's flat at 5 Bentinck Street, W1, and it was Lord ROTHSCHILD, then a Security Service officer, who recommended him for recruitment. Later in 1940 Lord ROTHSCHILD sublet the flat to BLUNT, who shared it with Tess MAYOR (whom Lord ROTHSCHILD also recommended for recruitment and who became his secretary; they married in 1946 after his divorce) and Pat RAWDON-SMITH (now Lady LLEWELYN-DAVIES). They were joined later by BURGESS when he left SOE and rejoined the BBC in late 1940. Lord ROTHSCHILD, Miss MAYOR, Mrs. RAWDON-SMITH, BLUNT and

BURGESS had all known one another at Cambridge in the mid-1930s. BLUNT and BURGESS remained there until 1945, Mrs. RAWDON-SMITH left in 1943 on marriage to Richard LLEWELYN-DAVIES, who had stayed for a few months in 1942-43.

29. Mr. BOYLE, drawing on information from Goronwy REES, Malcolm MUGGERIDGE and others, is believed to describe the Bentinck Street flat as the scene of drunken orgies (during one of which MACLEAN was homosexually compromised) and of meetings of Communist and sympathetic intellectuals. It is thought that nothing will be said in the book to the detriment of Lord or Lady ROTHSCHILD or of Lord or Lady LLEWELYN-DAVIES but it is possible that others who knew them will elaborate on their apparently close association with BLUNT, especially as BURGESS, Miss MAYOR and Mrs. LLEWELYN-DAVIES were all in late 1945 employed in the Foreign Office. There have been no security worries about Lady Llewelyn-Davies or Lord Rothschild. The latter was of course fully PV'd. Since 1951 both Lord and Lady ROTHSCHILD have volunteered assistance in the Security Service investigations. It was information received through Lord ROTHSCHILD which led to the final identification of PHILBY as a spy. Lord LLEWELYN-DAVIES, though suspected of involvement in the 1930s in the recruitment of the scientist who later joined the Admiralty (see paragraph 10) has denied all connection with the RIS.

Briefing of Ministers

30. Apart from the Attorney General (Hobson) in 1964 Ministers have been consulted on the following occasions.

- (i) At a meeting in February 1964 attended by the Prime Minister (Douglas-Home), Chancellor of the Exchequer (Maudling), Foreign Secretary (Butler), Home Secretary (Brooke) and Attorney General (Hobson) about CAIRNCROSS (see paragraph 22) it is thought that some mention was made of BLUNT's involvement with BURGESS and CAIRNCROSS, although the note of the meeting does not mention Blunt.
- (ii) The Prime Minister (Wilson) and the Home Secretary (Jenkins) were informed about the progress of the BLUNT investigation in 1967. The Home Secretary (Callaghan) was informed of the case in 1968.

~~TOP SECRET~~

- (iii) The Home Secretary (Maudling) was informed of the case in May 1971.
- (iv) In 1972 the Attorney General (Rawlinson) was consulted.
- (v) In 1973 the Prime Minister (Heath), Home Secretary (Carr) were informed in detail against the likelihood of publicity in case of BLUNT's death.
- (vi) In June 1974 the Attorney General (Silkin) was consulted.
- (vii) In July 1974 the Prime Minister (Wilson), the Lord Chancellor (Elwyn-Jones), Home Secretary (Jenkins) and Attorney General (Silkin) were fully informed.
- (viii) In June 1977 the Prime Minister (Callaghan) and the Home Secretary (Rees) were fully informed.
- (ix) All Home Secretaries from March 1964 to date have signed interception warrants on Blunt..

In addition the Attorney General (Manningham Buller) was informed about the investigation of BLUNT in 1957 before BLUNT was directly implicated and confessed.

— 31. A note on Blunt's connection with the Palace is also attached at Appendix B.

Appendix ABURGESS, PHILBY and MACLEAN

In 1962 the KGB defector GOLITSYN said that in the 1930s there had been a very important spy network in the United Kingdom which originally had five members, all of whom knew each other and had been at the University together. He knew that BURGESS and MACLEAN were members. He thought that the network had expanded beyond the original five and that it still had some sort of existence even after their defection.

2. PHILBY was undoubtedly an original member. The fourth was probably BLUNT, although there remains some doubt as to whether he was an original member. The fifth is still unknown. James KLUGMANN, a life-long Communist from his days at Cambridge and a prominent member of the Cultural Committee of the Communist Party, who worked for the RIS before and during the war, when he was an officer in SOE in Italy, is one of the possible candidates. There is no reason to suppose that BOYLE is aware of GOLITSYN's report. His "discovery" of a "fifth man" is merely coincidental; his candidate has no common background with the known four and can be ruled out as GOLITSYN's fifth man.

3. There were very few Communists at the universities in the 1920s, but in the 1930s the economic slump, the rise of Fascism, the influx of refugee Marxist intellectuals from Europe and the Comintern's switch to United Front tactics, gave a great impetus to Communism among dons and undergraduates. This situation provided the Russian Intelligence Service (RIS) with opportunities which it did not fail to exploit. It was assisted by the fact that some Communist students were instructed by the Party to become "moles", that is to sever overt connections with the Party, in anticipation of employment in the Public Service, when their abilities, reinforced by Communist discipline, were calculated to take them to positions of influence where they could help to create the Revolution from above. The following paragraphs concern BLUNT's immediate companions. PHILBY, BURGESS and MACLEAN all figure largely in BOYLE's book. Though some of this account comes from suspect sources, the general sequence of events is believed to be true.

H A R PHILBY

4. In 1933 PHILBY completed his degree course at Trinity College, Cambridge. Although not a card-holding member of the Communist Party, he had been closely associated with Communist circles at Trinity. Before taking up his career he went to Vienna, ostensibly to improve his German. Through Maurice DOBB, (a Communist then and until he died in 1976) he was provided with the address of Lizzy FRIEDMAN. PHILBY stayed with her in Vienna, married her and brought her back to England in the spring of 1934. Shortly afterwards Lizzy was instrumental in introducing him to a Russian Intelligence Officer who is thought to have recruited him formally for the RIS. In his 1963 confession, which was certainly a mixture of truth and falsehood, PHILBY claimed that he was told to review his friends for other possible recruits. His first candidate was Donald MACLEAN and his second Guy BURGESS. He may have been responsible for other recruitments then or later.

5. When PHILBY returned from Vienna his tutor refused to recommend him for the Indian Civil Service because of his left-wing views. He took up journalism and among other activities became associated with Peter SMOLKA alias SMOLLETT in the formation of a Press Agency. (SMOLKA, an Austrian Jew, was another Russian spy and probably was recruited in Vienna before he came to the United Kingdom. He joined the Ministry of Information in 1939 and was head of its Soviet Relations branch from 1941 to 1945. He has lived in Austria since 1946 and was "The Times" correspondent from 1947 to 1949 before recovering possession of his family's metal-working business).

6. In February 1937 PHILBY went to Spain and later became correspondent for "The Times" on the Franco side. In 1940 he joined SOE and subsequently transferred to SIS and by the end of the war he had become Head of Counter Intelligence. After serving in Turkey, he was in Washington at the time of the MACLEAN investigation. Much of this investigation was concerned with leakages which had occurred while MACLEAN was en poste in Washington from 1944-1948, and PHILBY was privy to it. In 1950 BURGESS was posted to Washington as an ordinary Foreign Service officer and lived in PHILBY's house there. He returned to the United Kingdom in 1951 carrying a warning from

TOP SECRET

PHILBY to MACLEAN a few weeks before he and MACLEAN defected. Suspicion fell on PHILBY as the source of the warning and he was made the subject of intensive investigation. He was required to resign from SIS because of his early Communist record but his guilt was not established until 1962. He was then outside the jurisdiction. He was interviewed abroad and made a partial confession. A few days later he fled to Russia.

D D MACLEAN

7. MACLEAN was recruited for the RIS in 1934 shortly before coming down from Trinity Hall, Cambridge, when he was preparing to enter the Foreign Office. As an undergraduate he had been openly left-wing, but after recruitment by the RIS gave no overt sign of Communist views. He operated as a spy throughout a successful career in the Foreign Service, which included postings in Paris, Washington, where he was acting Head of Chancery in 1946, and Cairo. He became the prime suspect in the leakage investigation mentioned above and would have been interrogated if the investigation had not been betrayed by PHILBY. It is not known what MACLEAN did in the way of talent-spotting or recruitment during his espionage career.

G F de M BURGESS

8. BURGESS was a brilliant undergraduate at Trinity College, Cambridge, a convinced Marxist and a member of the Communist Party. After his recruitment by the RIS at the end of 1934 or early 1935 he ceased to be an open Communist. He worked in the BBC from 1936 to 1939 when he joined the section of SIS which later became SOE. From 1941 to 1944 he was again employed by the BBC and then joined the Foreign Office News Department. From 1941 to 1946 he was an outside agent of the Security Service. In October 1947 he became an established member of the Foreign Service (Branch B) and served as personal assistant to the Minister of State, in the Far Eastern Department and finally in the British Embassy, Washington. He was not suspected of being a spy before he defected in 1951.

9. BURGESS had direct access to important secrets in the course of his various employments from 1939 to 1951. In addition he had a very wide circle of friends, many of whom were, as he was, homosexuals. Many of his friends reached high places. He was accepted in intellectual circles in Cambridge and

TOP SECRET

London, and particularly at All Souls College, Oxford. There is no doubt that many of his friends were valuable unconscious sources and he was in a position to give very important assistance to the RIS as a talent-spotter. He made some recruitments for the RIS himself, though the full extent of these is unknown. One of them was BLUNT. BURGESS died in Moscow in 1963.

TOP SECRET AND PERSONAL

Blunt and the Palace

Sir Anthony Blunt is a leading authority on art. Before the war he was deputy Director of the Courtauld Institute of Art. He rejoined the Institute on leaving the Security Service in October 1945 and became its Director in 1947. He has also been Professor of the History of Art at the University of London and Slade Professor of Fine Art at both Oxford and Cambridge. In 1945 he was appointed Surveyor of The King's Pictures: he was reappointed to this position (which was unpaid after 1947) on The Queen's accession and held it until 1972. Thereafter he held an honorary position as Adviser for The Queen's Pictures and Drawings until 1978. He was awarded the KCVO in 1956.

Criticism is likely to centre on the continuation of Blunt in a post in the Royal Household after Goronwy Rees made his allegations in 1951, and after his confession in 1964, and on the award of the knighthood to Blunt in 1956. The sequence of events so far as the Palace was concerned is, in summary form, as follows:-

- (i) 1945. Blunt appointed Surveyor of The King's Pictures. No suspicion about him at that time.
 - (ii) 1951. Allegations by Goronwy Rees and retired Foreign Office official. Unsupported by evidence. * ~~~~~ *
- Interrogation of Blunt begun. Blunt known to have been an associate of Burgess, who defected with Maclean in 1951. But no grounds for action.
- (iii) 1956. Blunt made KCVO. This honour, invariably given to persons serving in the Royal Household in posts such as Blunt then held, was in the personal gift of The Queen, and was not awarded on the recommendation of the Prime Minister. There was therefore no occasion for consultation about the award, and, so far as the Palace was concerned, no reason to call it in question.
 - (iv) Early 1964. Information received implicating Blunt.
 - (v) April 1964. The Queen's Private Secretary (Sir Michael Adeane) informed by Permanent Under-Secretary, Home Office (Cunningham) and Director General, Security Service (Hollis) and told that Blunt was to be seen and

TOP SECRET AND PERSONAL

invited to confess. It was agreed that Blunt should not be removed from his present post. * ~~~~~ *

(vi) Later April 1964. Blunt confessed.

* ~ * Passages deleted and closed under
FOI Exemption.

B. Wayland

11 March 2014

Against this background it is not too difficult to defend the award of a knighthood to Blunt in 1956. It was an award in the personal gift of The Queen, not made on the Prime Minister's recommendation; it would have caused surprise if he had not got it; and the Palace had no real reason to call it in question. More difficult to defend is the fact that he continued to hold the post of Surveyor of The Queen's Pictures after he had confessed. The decision not to dismiss him, or arrange for his resignation, was taken on the grounds that (i) since Blunt was to be given immunity from prosecution and his case unlikely to become public, it was desirable to avoid taking any action which, by alarming him, might put at risk his willingness to continue to provide information about his contacts, and (ii) he had no access to classified information, nor, any longer, any contacts that would make him a current security risk.

Sir Martin Charteris and later Sir Philip Moore agreed that if necessary it could be said publicly that The Queen's Private Secretary had been kept fully in the picture throughout the episode. It would be in accordance with all precedents to refuse to reveal what passes between The Queen and her Private Secretary.

Prime Minister.

-2-

A specific question will arise when the Blunt is revealed: should he now forfeit his knighthood as a penalty for the treason he has confessed to but not been convicted of. * ~~~~~

* ~~~~~
KRS

12 DOWNING STREET,
S.W.1.

With

The Private Secretary's

Compliments

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(Blunt
file)
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DENNING etc.

Thursday 21st March 1963

Reference was made during the Consolidated Fund Bill debate to rumours concerning a senior Member of the Government and Miss Christine Keeler and Miss Davies. (under the protection of Parliamentary Privilege)

Friday 22nd March 1963

Personal Statement at 11.00 am by Secretary of State for War (Rt Hon John Profumo) informing the House of his acquaintance with Miss Keeler "...Miss Keeler and I were on friendly terms. There was no impropriety whatsoever in my acquaintance-ship with Miss Keeler.I shall not hesitate to issue writs for slander if scandalous allegations are made or repeated outside the House."

Tuesday 4th June 1963

Mr Profumo saw the Government Chief Whip and the Prime Minister's Principal said that his previous protestations of innocence had been untrue and that he had in fact had an improper association with Miss Keeler. He immediately tendered his resignation and indicated his intention to apply for the Chiltern Hundreds.

Monday 17th June 1963

Supply Day(20th AD): Debate on a Motion for the Adjournment of the House on SECURITY, with special reference to Mr Profumo's Resignation.

3.33 pm to 9.59 pm DIVISION Ayes 252 Noes 321

21st June 1963

Judicial Inquiry into the implications of the events leading up to Mr Profumo's resignation

Appointed under the Chairmanship of Lord Denning

Report published on 26th September 1963

Debate in the House on Monday 16th December 1963 on a Motion to Adjourn

3.41 pm to 10.00 pm

VASSALL CASE

13th November 1962 Appointment of Inquiry (under the Tribunals of Inquiry Act 1921) CIRCUMSTANCES IN WHICH OFFENCES UNDER THE OFFICIAL SECRETS ACT WERE COMMITTED BY CHRISTOPHER JOHN VASSALL;

Debate on Motion to Appoint - 14th November 3.59 pm to 10.00 pm

Report published April 1963;

Debate in the House 7th May 1963 on a Motion to Take Note of the Report

28th February 1967

Appointment of Committee of Inquiry (by Privy Councillors) to inquiry into "D"
Notice Matters. Chairman Lord Radcliffe

Reported published 13th June 1967 Debated in the House on 22nd June 1967

4.18 pm to 10.00 pm. Motion to approve the Report etc.

21. In 1963 Mr. Profumo, the Secretary of State for War, made a personal statement in the House of Commons denying that there was any truth in the story that he had had a liaison with Christine Keeler. He afterwards admitted that this statement was untrue. There followed wide-spread rumours. It was alleged that there had been a serious security risk in that Mr. Profumo had been sharing Christine Keeler as a mistress with the Russian naval attaché; that the Government knew or ought to have known that the personal statement made by Mr. Profumo was untrue; that certain members of the Government failed in their duty by approving the personal statement before it had been made, particularly as they had done so without taking any steps to check whether or not it was true. There were also many other rumours relating to this case. The Government decided that to allay the very wide-spread public concern, an inquiry should be held. They decided however not to set up a Tribunal for this purpose under the Act of 1921; instead they appointed Lord Denning, the Master of the Rolls, to hold this inquiry. This task he performed with conspicuous success despite the difficulties inherent in the procedure which he followed. The inquiry was conducted behind closed doors. None of the witnesses heard any of the evidence given against him by others or had any opportunity of testing such evidence. The transcript of the evidence was never published. Lord Denning had in effect to act as detective, solicitor, counsel and judge. In spite of the many serious defects in this procedure, Lord Denning's Report¹ was generally accepted by the public. But this was only because of Lord Denning's rare qualities and high reputation. Even so, the public acceptance of the Report may be regarded as a brilliant exception to what would normally occur when an inquiry is carried out under such conditions.

3. *An inquiry of the type carried out by Lord Denning into the Profumo case*

37. In the chapter dealing with the history of Tribunals of Inquiry in this country, we have referred to the difficult conditions under which this inquiry was carried out and expressed the view that the measure of acceptance which the report achieved was due to the exceptional qualities and standing of Lord Denning alone, and should be regarded as a brilliant exception to what would normally occur when an investigation is carried out under such conditions. Although Lord Denning considered that this type of inquiry had some advantages, he was most conscious of the disadvantages which were inseparable from it. Referring to the advantages he said at pages 2 and 3 of his Report . . . "there can be no dissent . . . in as much as it has been held in private and in strict confidence, the witnesses were, I am sure, much more frank than they would otherwise have been . . . I was able to check the evidence of one witness against that of another more freely . . . and more important, aspersions cast by witnesses against others (who are not able to defend themselves) do not achieve the publicity which is inevitable in a Court of Law or Tribunal of Inquiry. . . ." Referring to the disadvantages, Lord Denning said on the same pages of his Report ". . . it

has two great disadvantages: first, being in secret, it has not the appearance of justice; second, in carrying out the inquiry, I have had to be detective, inquisitor, advocate and judge, and it has been difficult to combine them At every stage of this inquiry I have been faced with this great anxiety: How far should I go into matters which seem to show that someone or other has been guilty of a criminal offence, or of professional misconduct, or moral turpitude, or even incompetence? My inquiry is not a suitable body to determine guilt or innocence. I have not the means at my disposal. No witness has given evidence on oath. None has been cross-examined. No charge has been preferred. No opportunity to defend has been open. It poses for me an inescapable dilemma: on the one hand, if I refrain from going into such matters my inquiry will be thwarted. . . . Suspicions that have already fallen heavily on innocent persons may not be removed. Yet, on the other hand, if I do go into these matters I may well place persons under a cloud when it is undeserved; and I may impute to them offences or misconduct which they have never had the chance to rebut." Such a method of investigation is not so objectionable where there is, in truth, no foundation for the rumours or allegations causing a nation-wide crisis of confidence. The report will state the truth. The only defect in the procedure is that since everything takes place behind closed doors, the truth may not be generally accepted.

38. If, however, there is in reality an evil to be exposed and any of the allegations or rumours causing the nation-wide crisis of confidence are true, it is extremely difficult, if not practically impossible, for the report to establish the truth. When a person against whom allegations are made is not even allowed to hear the evidence brought against him, let alone to check it by cross-examination, when he has "never had the chance to rebut" the case against him, how can any judicially-minded Tribunal be satisfied, save in the most exceptional circumstances, that the allegations have been made out? In these most exceptional cases, if they ever occur, in which such a Tribunal felt justified in making an adverse finding against anyone, that person would feel and the public might also feel that he had a real grievance in that he had had no chance of defending himself. It follows that the odds against any such Tribunal being able to establish the truth, if the truth is black, are very heavy indeed, and accordingly the truth may remain hidden from the light of day.

39. We do not believe that it can ever be right for any inquiry of this kind to be held entirely in secret save on the grounds of security. It is true that a Tribunal does not hold a trial but only investigates and reports. Nevertheless reputations and careers may depend upon their findings, e.g., in the Budget Leak Tribunal which was held in public the Tribunal found that there had been an unauthorised disclosure by Mr. J. H. Thomas to Sir Alfred Butt of information relating to the Budget and that use was made by Sir Alfred Butt of that information for private gain; thus ended both their political careers.

40. It is said that sometimes witnesses are willing to give evidence only if they are allowed to give it in private or in confidence. This is no doubt true. But such evidence in matters of this kind is treated as suspect by the general public and, in our view, rightly so. Secrecy increases the quantity of evidence but tends to debase its quality.

41. It is possible that in the future the same type of salacious rumour as some of those which were in circulation at the time of the Profumo case may circulate again. No doubt it would be wrong to investigate them in public. The point is whether they should be investigated at all. It is no part of the duty of government to satisfy idle curiosity about scandalous gossip. It does not seem to us appropriate for a tribunal of any kind to inquire into such rumours. Gossip about such matters as these is hardly likely to cause a nation-wide crisis of confidence and is best ignored. It is an entirely different matter when it is alleged that a Minister has put himself in a situation which creates a real security risk, or that colleagues have allowed a Minister to make a personal statement which they ought to have known was untrue. If in the future there is a nation-wide crisis of confidence about any matters of this kind they should in our opinion be investigated before a Tribunal appointed under the Act of 1921.

42. We recommend that no Government in the future should ever in any circumstances whatsoever set up a Tribunal of the type adopted in the Profumo case to investigate any matter causing nation-wide public concern. For the reasons we have stated, we are satisfied that such a method of inquiry is inferior to, and certainly no acceptable substitute for, an inquiry under the Act of 1921.