

# Introduction

Clement Richard Attlee, the Labour Party's longest serving leader and Prime Minister during an unprecedented period of change for Britain, stands in the 'top flight' of post-war premiers.<sup>1</sup> A poll of MPs in 2015, seventy years after Labour's first ever majority in Parliament, rated Attlee as the greatest post-war prime minister, with an average score of 7.2 out of 10 for overall impact.<sup>2</sup> Kenneth Harris, his official biographer, argued that Attlee implemented a policy programme 'so massive and so radical that ... it entitles him to be regarded as a great Prime Minister' while Nicklaus Thomas-Symonds similarly considers him the 'greatest post-war Prime Minister'.<sup>3</sup> Beyond his electoral success, studies have focused on what has been called the 'Attleeite Settlement' – the development of the modern-day welfare state and the creation of the National Health Service – and, overseas, the start of decolonisation and the development of the transatlantic 'special relationship'. Yet many endorsing Attlee for the so-called 'Spirit of '45' overlooked his support for Britain's independent nuclear deterrent, Cold War foreign policy and, importantly for this study, the development of Britain's Cold War 'secret state' and his intimate relationship with British intelligence. This book is the first major study of Attlee's relationship with Britain's intelligence agencies during the formative years of the Cold War, making use of extensive archival research and information obtained under the Freedom of Information Act to show the intimate link between ministers and senior intelligence officials in Whitehall. In office, ministers made use of secret information to fight the Cold War both at home and overseas in Eastern Europe and in Britain's colonial territories. The book also explores Britain's 'special relationship' with the US and ministerial attempts to repair the often fractured nuclear alliance.

### **Still a ‘missing dimension’?**

The phrase ‘the missing dimension’ has become something of a cliché often used to contextualise research into the history of British intelligence.<sup>4</sup> Yet in the case of Clement Attlee and his Labour government, the description is an accurate one that provides a useful starting point. Any reference to intelligence between 1945 and 1951 tends to be predicated upon negative assumptions surrounding the relationship between the Labour Party and the intelligence and security services as a result of the events of 1924 and the Zinoviev Letter affair, which was widely believed to have destroyed the first Labour government of James Ramsay MacDonald.<sup>5</sup> Rather than drawing upon the ever-increasing body of archival intelligence material now available, there is a tendency for academics to continue to rely on accounts written before such material became available, continuing this distortion of the historical record.<sup>6</sup>

While studies by Morgan, Pelling and others devote numerous pages to foreign and defence policy, they make no reference to intelligence or security, an omission that extends to the biographies of several senior government figures.<sup>7</sup> Despite being the subject of many significant studies, only the official biography of Attlee by Kenneth Harris refers to the case of Klaus Fuchs, whose espionage had serious implications for Anglo-American relations.<sup>8</sup> Similarly, Bullock’s impressive biography of Bevin makes no reference to the Joint Intelligence Committee (JIC) or any other branch of Britain’s intelligence apparatus and its influence on policymaking.<sup>9</sup> Such omissions are, of course, understandable. Many of these accounts were published before the release of substantial intelligence material into the public domain. Kenneth, now Lord, Morgan, explained: ‘I was doing my research in the late 1970s and early 1980s when the materials for covering this delicate area were scarcely available’.<sup>10</sup> Yet even with the growth in archival material, intelligence continues to be omitted from studies of Attlee and his government. A study of Attlee’s wartime experiences by Crowcroft neglects intelligence, despite wartime files on the Special Operations Executive (SOE) and Government Code & Cipher School (GC&CS) being available for over a decade, while biographies by Beckett and Thomas-Symonds also overlook the subject, despite drawing extensively on Attlee’s private office papers at the National Archives.<sup>11</sup>

Nor is this position one sided. While historians with an interest in intelligence can point out the blind spots in earlier studies, it can be suggested that they, too, suffer from their own cognitive limitations.<sup>12</sup> The study of intelligence in Britain has largely taken place in a ‘bubble’, leading to a fundamental disconnect from the wider policy context. In

his study of British signals intelligence, Ferris suggests that the ‘hidden dimension is filled with train-spotters’.<sup>13</sup> New releases to the National Archives, while making the study of intelligence more accessible, take intelligence and security issues out of their decision-making context. It should be noted that the disconnect between studies of intelligence and policy had been observed by Andrew who, after reviewing a study of incoming American presidents and intelligence briefings, noted that until similar volumes were available about British prime ministers and others, the ‘use made of intelligence by world leaders will continue to be a major gap in our understanding of both modern government and international relations’.<sup>14</sup> A few years later, Andrew once again observed that many basic questions regarding twentieth-century prime ministers and intelligence had ‘yet to be asked, let alone answered’.<sup>15</sup> In contrast to the growing body of literature covering the theory behind the intelligence/policymaker relationship, our knowledge of the interaction between prime ministers and the intelligence services continues to be restricted to Winston Churchill’s lifelong curiosity in spies and special operations, alongside Harold Wilson’s initial interest in and later paranoia towards the Security Service.<sup>16</sup>

### **Sources and methodology**

The Waldegrave Initiative on Open Government marked a sea change in attitudes towards secrecy in Britain. Previously closed information on intelligence found in the records of the Cabinet Office (CAB) and Foreign Office (FO) entered the public domain for the first time, alongside the surviving archive of the wartime Special Operations Executive and papers of the Joint Intelligence Committee.<sup>17</sup> In 1997 these were joined by records from the British Security Service (MI5), which became ‘the guinea pig in tentatively opening part of the historical archives of traditionally the most secretive part of the state’.<sup>18</sup> Now approaching its thirtieth release, the Service has released well over 5,000 files to the National Archives, stretching from the organisation’s establishment in 1909 into the 1960s.<sup>19</sup> The Government Communications Headquarters (GCHQ) has also released a substantial amount on early Cold War signals intelligence, with highlights including the BRUSA agreement of 1946, which formalised post-war transatlantic signals intelligence collaboration; the famous UKUSA agreement of 1948; and Eastern Bloc decrypts; and while the archives of the Secret Intelligence Service (SIS) remain closed, details of foreign intelligence collection and covert action can be found in papers of the Cabinet Office and

Foreign Office, specifically the files of the Permanent Under-Secretary's Department (PUSD), a significant number of which were released in May 2013.

While undoubtedly welcome, such increased access to intelligence archives has met with scepticism. Gill has argued that the new developments mark a 'variation in information control', while Aldrich has likewise suggested that the new era of openness has offered the authorities an alternative to 'old-fashioned "stonewalling"' by allowing it to 'set the agenda for archive-based researchers of the secret service'.<sup>20</sup> The process of selection, declassification and destruction of files, he argues, affords officials ample scope to 'massage the representation of the more secretive aspects' of government.<sup>21</sup> More generally, he has pointed to the dangers of extensive research at the National Archives, using records that have been 'pre-selected, cleaned and processed by officials who are the institutional successors to those who we wish to study'. Aldrich suggests that historians are 'remarkably untroubled' by this, and tend to regard the material at the National Archives 'as an analogue of reality', with the resulting danger of them becoming 'something close to official historians, albeit once removed'.<sup>22</sup> Aldrich has further argued that the material on offer at the National Archives provides a 'somewhat constrained' view of Cold War intelligence.<sup>23</sup>

The argument that the authorities release their own 'carefully packaged' version of the past may be overly suspicious. Sir Stephen Lander, during his time as Director General of the Security Service, spoke of a widespread awareness across the intelligence community that they 'did not own the past and certainly cannot change it', while Jackson, in direct response to the claims made by Aldrich, has argued that historians do not believe everything they read in government archives. Those sceptical of recent archival releases, he argues, ascribe an 'unrealistic level of efficiency to government machinery ... in the ongoing struggle to maintain secrecy and shape popular perceptions', especially in the media-intrusive environment of today.<sup>24</sup> Nonetheless, it remains the case that the newly released official material should be examined with a degree of caution. An examination of files released post-Waldegrave shows that several subjects continue to be withheld from the public domain, and the 'discovery' of a large archive of colonial era records, the so-called 'migrated archives', at the Foreign Office's Hanslope Park near Milton Keynes did little to dampen the 'legacy of suspicion' between historians and government.<sup>25</sup> Many of the files are also incomplete. In the case of MI5, the Service's new releases contain numerous gaps; Lander himself talked about the state of the Security Service's historical archive, suggesting that 'given the Service has worked continuously for over 90 years, there

is rather less material than might have been expected', with the blame falling on staff shortages, enemy action and an 'inconsistent approach to file destruction'.<sup>26</sup>

Increasing availability of intelligence records has, arguably, resulted in a temptation to become too dependent on the new material. Ferris writes that:

Nothing could be more futile than to sit at a table, head in hands, reading HW 1 files as though these blue binders contain the heart of British policy. These files, and those in DIR/C, have merit ... Better read the FO 371s [where the influence of intelligence can be examined] and not the HW 12s.<sup>27</sup>

New intelligence releases, while making the subject more accessible, take the subject out of its broader context, leading some to 'fetishize and ... sensationalize' it.<sup>28</sup> Callaghan and Morgan have highlighted the potential consequences of relying on the records of a single intelligence organisation, pointing out that MI5 material provides a distorted record of communist subversion in Britain, and consequently reaffirms the 'basic scholarly principle' of 'consulting as widely as possible'.<sup>29</sup> Both argue that the Security Services 'were often wrong about the detail or significance of developments within the CPGB and the Comintern, even when they were aware that something important was happening'.<sup>30</sup>

Despite the need to exercise due caution, it should be added that *any* study of government and intelligence that entirely neglected the files at the National Archives would, of course, be deeply flawed. While private archives can provide a small number of official papers, the National Archives is the only major repository of documents on government and contains the files of Whitehall departments, detailing working processes and decision-making. While Aldrich and others have pointed to the pitfalls of extensive research based on official material at Kew, archival studies provide the solid foundations of research into intelligence and security, though it remains necessary to consult the records as broadly as possible. Wark argues that historians need to adopt 'a more radical definition of the nature of intelligence archives, and to turn our sights from the question of explaining what secret agencies did or do, to how governments think and act', pointing to all government departments that 'receive, incorporate, digest and report on intelligence that comes to them from both secret and overt sources'.<sup>31</sup> While a painstaking process, a search of the file series of the Prime Minister's Office, Foreign Office, Cabinet Office and others provides a significant insight into the intelligence–policymaker relationship during the Attlee period.

While it is true that the archives still provide a 'somewhat constrained'

view of Cold War intelligence, government departments have been willing to release details of Cold War activities. One particularly useful research tool has been the Freedom of Information Act (FOIA). Coming into effect in January 2005, the Act allows a general right of access to information held by public bodies, including central government departments. While Section 23 of the Act precludes 'Information supplied by, or relating to, bodies dealing with security matters', requests under the FOIA have led to the release of new intelligence and security-related material from the archives of the Cabinet Office, Foreign Office and Ministry of Defence; a research strategy reminiscent of Wark's more radical definition of the intelligence archive.<sup>32</sup> While it may be too early to offer any definitive comments on the impact of the FOIA, it is important to acknowledge that its use does not, in any sense, represent an 'easy' research option. Requests are often time consuming, requiring users to invest a considerable amount of effort, while documents can also be released out of their broader context, raising the problem of government manipulation. While the FOIA has resulted in the release of new material, its effectiveness should not be exaggerated. One area in which the Act is not helpful is in the field of intelligence liaison, where historians face a series of exemptions that prevent the release of information acquired from foreign governments.<sup>33</sup>

Another important source of information has been the private papers of ministers and senior officials housed in research libraries and private institutions. As with official sources in state archives, private papers pose similar problems for researchers, and scholars are not assured an 'analogue of reality' due to selective memory, destruction of files and institutionalised bias. As a result, it has been necessary to cross-check information with other sources. The quality and nature of these have varied. Bevin's private papers, while important for understanding his working methods, are wholly devoid of intelligence material. More significant are his working papers, now held by the National Archives. In contrast, Attlee's private papers at the Bodleian Library proved to be surprisingly revelatory. While used extensively by other biographers and academics, they included traces of intelligence material, along with his frank view of the British intelligence community in the spring of 1950. The Dalton papers were also important in understanding Labour involvement in wartime special operations, while Morrison's private papers proved an important source on the Burgess and Maclean episode.<sup>34</sup> Besides senior government ministers, this study has also made extensive use of the private papers of a number of senior officials.<sup>35</sup> The unpublished memoirs of Sir Patrick Reilly, for example, gave substantive insight into the management of post-war intelligence, as well as the

Foreign Office response to the Burgess and Maclean defection, while other papers, including those of Sir Alexander Cadogan, have been of particular use in complementing existing source material.

### **The British Labour Party and intelligence: a brief history**

The British Labour Party's attitude towards security and intelligence remains something of a neglected subject. While Labour's views on other associated subjects, including defence and foreign policy, have received in-depth analysis, the views of senior Labour figures, MPs and party activists towards the intelligence community are absent from much of the academic literature, with Andrew acknowledging that historians 'have so far shown a surprising lack of interest in the relations between the Labour leadership and SIS' – an omission that can, arguably, be extended to the rest of the British intelligence community.<sup>36</sup> In part, this absence reflects the general lack of information about party politics and intelligence and security, although some limited attention has been given to the Conservative Party's intimate links to the inter-war intelligence community.<sup>37</sup> In the main, what has been written about the British Labour Party and the intelligence agencies has been dominated by investigative journalists and left-leaning commentators who, in drawing heavily on a long tradition of mistrust between the political 'left' and the 'secret state', point to events such as the Zinoviev Letter affair of 1924 and accusations that Britain's intelligence community used dirty tricks to undermine the first Labour government, and the later 'Wilson plot' of the 1970s, to highlight the intrinsic bias of the agencies against the left. In a study of Labour and the 'secret state', the author Robin Ramsey commented that the intelligence services were 'the enemy' of the labour movement, while in January 1996, the then Labour MP for Brent East, Ken Livingstone, during a debate on revisions to the Security Service Bill, was able to draw on the Zinoviev affair and the Wilson plot to claim that there were 'strong links between the Conservative Party and MI5' and a climate of 'treason against Labour Governments ... endemic in MI5 throughout its history'.<sup>38</sup>

The formation of Britain's first minority Labour government under James Ramsay MacDonald caused shockwaves in the corridors of power. Writing in his diary, having witnessed MacDonald being sworn in as a Privy Councillor, King George V wrote: 'Today twenty-three years ago dear Grandmama died. I wonder what she would have thought of a Labour government.'<sup>39</sup> Winston Churchill believed, with characteristic hyperbole, that Labour would be a 'national misfortune'

comparable only to defeat in war.<sup>40</sup> Individuals inside Britain's intelligence and security community were also alarmed, having monitored senior party figures from time to time. During the First World War, the authorities had, based on MI5 information, considered prosecuting MacDonald for sedition because of his anti-war speeches, and in 1920 officers were asked to investigate claims that George Lansbury, a future leader of the party and editor of the *Daily Herald*, had tried to subvert British prisoners of war during a visit to Moscow, following British involvement in the Russian Civil War.<sup>41</sup> If intelligence officers were alarmed by developments, Labour harboured their own suspicions. In wartime MacDonald had questioned the role of the Secret Vote, the annually approved fund used to pay for the acquisition of intelligence, and, increasingly, the growing intelligence community, drawing attention to the underhand practices of government agents provocateurs sent to spy on workers in the munitions industry.<sup>42</sup> In April 1919, during a meeting on intelligence funds, MI5's first Director General, Vernon Kell, acknowledged the widespread suspicion in the Labour Party that the Secret Vote was used to 'spy upon Labour in this country' and that parliamentary opposition would, in his view, be reduced if prominent MPs were privately briefed about his organisation's 'work ... during the war', though the proposal was not acted on.<sup>43</sup>

In government, MacDonald took on the dual role of Prime Minister and Foreign Secretary, though it appears he was initially kept in ignorance of diplomatic intercepts provided to the Foreign Office by the Government Code & Cipher School. MacDonald's Under-Secretary of State for Foreign Affairs, Arthur Ponsonby, who, like MacDonald, had opposed Britain's involvement in the First World War, had no respect for the 'dirt' produced by the intelligence machinery, and, in office, when he mentioned intelligence, officials 'used to become rigid. I was not allowed to know.'<sup>44</sup> MacDonald did, however, have access to the regular reports on revolutionary movements in Britain, produced by Special Branch and its head, Sir Wyndham Childs. In January 1924, shortly after entering office, MacDonald was provided with his first report on the subject but was dismissive, believing that much of the information was already known to ministers and coverage in the reports fairly limited, missing out right-wing groups because of a focus on the left.<sup>45</sup> MacDonald's Home Secretary, Arthur Henderson, saw their value, defending Special Branch when it was attacked by Labour MPs in Parliament, and continuing to read its reports, as well as authorising Home Office warrants on the correspondence of leading communists.<sup>46</sup> In spite of his reluctance to see Special Branch material, MacDonald did agree to the formation of a special committee on 'Industrial Unrest'



chaired by the Lord Privy Seal, J. R. Clynes, during a meeting of the Cabinet in April, which was formed to look at the role of communist activity in industry.<sup>47</sup> Its membership also included Henderson, Sidney Webb (President of the Board of Trade), John Wheatley (Minister for Health) and Thomas Shaw (Minister of Labour), and used Special Branch information to reach its conclusions that the Communist Party posed a subversive threat, though, during a Cabinet meeting in mid-May, ministers were divided on the issue of actively countering the issue using official propaganda channels.<sup>48</sup>

Whatever trust may have existed between Labour and the 'secret state' was undermined by the Zinoviev Letter affair later that year. In October, MacDonald's fragile hold on power had been broken by the abortive prosecution of John Ross Campbell, a British communist and editor of *Workers' Weekly*, for incitement to mutiny under the Sedition to Mutiny Act of 1797. The failed prosecution came on top of Labour's efforts to repair relations with the Soviet Union, with the attempted rapprochement only serving to anger the Conservatives and Liberals. While a draft Anglo-Soviet treaty was agreed, hostile propaganda and the collapse of MacDonald's government over the Campbell case meant that it was never ratified, with MacDonald and the Labour Party open to allegations of being soft on communism in the run-up to the October 1924 election.<sup>49</sup> It was a fear exploited by Labour's political opponents with the publication of a letter reputedly from Grigory Zinoviev, president of the International Committee of the Comintern, urging the British Communist Party and sympathetic Labour MPs to push for the ratification of the draft Anglo-Soviet Treaty.<sup>50</sup> Copies of the letter had been received through SIS channels and had been forwarded to MacDonald, who was travelling the country on the campaign trail. Accompanying the document was a letter drafted by the Foreign Office protesting against Zinoviev's alleged attempt to subvert the British political system. On seeing the Foreign Office's draft complaint, MacDonald made significant amendments, toughening the overall tone, and he understood that a final copy of the protest would be sent to him before it was released. However, the Foreign Office Permanent Under-Secretary, Sir Eyre Crowe, mistakenly authorised release of Zinoviev's letter along with MacDonald's protest. On the same day, Foreign Office officials found out that copies of the letter had been leaked via undisclosed sources to the *Daily Mail*. The leaking of the letter and its publication by the Conservative-supporting press embarrassed the government and left a lasting impression in Labour circles that the party had been robbed of power in the subsequent election, when the Conservatives won 419 seats to Labour's 151.