



This image, from 'Lies of Our Time' (May 1994) shows Allen Dulles, CIA Director 1961

review

The Clandestine Caucus

(Anti-socialist campaigns and operations in the British Labour Movement since the war)

Robin Ramsay

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"The plea in extenuation of guilt and mitigation of punishment is perpetual. At every step we are met by arguments which go to excuse, to palliate, to confound right and wrong, and reduce the just man to the level of the reprobate. The men who plot to baffle and resist us are, first of all, those who made history what it has become. They set up the principle that only a foolish Conservative judges the present time with the ideas of the past; that only a foolish Liberal judges the past with the ideas of the present."

Lord Acton, *Inaugural Lecture On The Study Of History*, Fontana, 1960

The point of view that the modern Labour party has 'sold out' its socialist beginnings, while being a common enough accusation, is not the starting point of the *Clandestine Caucus*. Its analysis of secret and semi-secret groups and factions within the larger political party provide an insight which casts serious doubt on the Labour Party ever having had much of a socialist foundation in the first place:

"The history of Britain's union and Labour movement is one of continuous conflict between socialist and anti-socialist wings; and within that conflict the bit of the story that is usually not told is that describing the relationship between the anti-socialist section of the Labour movement and British and US capital and their states."

This relationship, which is comprised of elements which remain largely suppressed in modern history, begins at the period just after World War I, alongside the origins of the British state, particularly in the context of the state's response to Bolshevism. It is identified in the various groupings which comprised the early British corporate movement, around the period of 1918 to 1926. That movement's failure to produce a more integrated society; a society which could prevail amidst the emergent struggle between domestic capital and international finance capital, is, it is suggested, the basis for the initial co-operation between the state and the British Trades Unions, principally the TUC.

The TUC, or more accurately, the political beliefs of its leaders and their factions, formed something of a 'praetorian guard' against the left, and were increasingly motivated by fear of a communist conspiracy. Links - one could easily say partnerships - developed between the TUC and state agencies, particularly with the Foreign & Colonial offices. This was extended with the first two Labour governments and 'solidified enormously' by World War II and the coalition government.

"Into this domestic anti-Communist climate came the USA's loans - and the people and ideas, the strings attached to the money."

While early post World War II history is usually summed up by the catch-all phrase the 'Cold War', what actually happened in the take over of Europe carries with it complex covert political, military and economic drives (which still continue), all amidst the general chaos of a destroyed Europe. This is complex and murky ground. Robin Ramsay, while avoiding a debate on the origins of the Cold War, focuses on the origins on the Marshall Plan. He identifies the *Council on Foreign Relations* (CFR) as the main vehicle (albeit somewhat informally) for co-ordinating the US take over of non-communist European countries via covert means; the British Empire having lost its imperial strength in the post-war years. In defining the 'strings attached to the money,' we have the CFR as some form of overseeing body: working alongside it, engaging in psychological warfare operations was the *Economic Co-operation Agency* (ECA) and alongside them the *Office of Policy Co-ordination* (OPC).²

"What we think of as the CIA, that is the covert operation, intervention arm of US multi-national capital—the post-war bogey man supreme for the left—began as the enforcement arm of the Marshall plan, engaged in operations against the left and the trade unions of Europe, communist or non-communist. The OPC was the US administration's recognition that the ECA alone couldn't 'get the job done'."

The 'job' in this case includes the US post-war penetration of the British Labour Party and Trade unions. One key point in the text relates to the extent US labour attachés developed influential contacts with the Labour leadership, particularly Hugh Gaitskell. Here the distinction between whether the attachés were CIA agents or not becomes academic, both would report to the same boss, the State Department. It should also come as no great surprise that such close associations were formed, the Americans were after all perceived as allies, but then again so were the communists.

Ramsay shifts slightly at this point to provide parallel information on the survival of UK 'private sector propaganda organisations', such as Aims of Industry and the Economic League; noted here because of their networks' pumping of anti-left, anti-nationalisation briefings into the British press. These resurrected the propaganda systems and organisations of the period surrounding the general strike. This section also serves to introduce the *Information Research Department* (IRD), a key organisation in unravelling the State's own covert operations and whose layers Ramsay has peeled back over the years:

"IRD was a triple layer. On the surface was its formal cover within the Foreign Office as an information and research department. Beneath that was IRD's role as a propaganda organisation, dispensing white (true) and grey (half true) propaganda in briefings to journalists and politicians. But beneath that was the third layer, the 'black' or psychological warfare (psy-war) tier."

He presents convincing evidence that at about the same time IRD came into existence, the union leaders themselves willingly nudged closer to the covert world and the right, and again, through a shared and mounting commitment to anti-communism, instigated various more or less interlocking projects, such as the avowedly clandestine AEU's 'club', *Common Cause* and the *Industrial Research and Information Services* (IRIS), the latter being set up in the Headquarters of the National Union of Seamen.

Among the embarrassments of IRD are:

"1. The extent to which the British print and broadcast media of the 1950s and 60s recycled IRD material. When IRD was formally closed in 1978 it still had 100 British journalists on its contact list, including correspondents for the *Sunday Times*, *Sunday Telegraph*, *the Observer*, *Sunday Mirror*, *News of the World*, *the Daily Mail*, *Daily Telegraph*, *the Guardian*, *The Times*, *Financial Times*, *Soviet Analyst* and the *Economist*.

2. The revelation that IRD was a full-blown Political Warfare Executive, with all that implies, despite the fact that no government—no Cabinet—had ever authorised the creation of such an organisation.

3. Most sensitive of all, IRD used 'black propaganda' in 'political warfare'.

Ramsay's tentative and careful analysis of the IRD, has been confirmed and extended by fairly recent (official)

revelations. The same could be said of his interpretation of the revelations of Colin Wallace: an ongoing assessment going back some ten years. Wallace worked at 'Information Policy', long maintained to have been an Northern Ireland based Army press office in the 70s, but identified here as the last sighting of IRD in its 'black' role:

"Information Policy was constructed in the same way as IRD, concealing the psy-war role behind the cover role of a propaganda unit, which in turn, was concealed by the formal information role ...Disinformation was planted in the media; foreign journalists were taken into back rooms and shown 'secret' documents - diaries, leaflets, minutes of meetings; some genuine, many forged. IRD tried, yet again, to establish the insurgents as part of the Soviet global conspiracy, but after the re-election of the Wilson government in 1974 they also began to try to show support for the IRA from a Labour Party influenced by the CPGB."

Information on IRD's operations in the mainland is not only scarce but (naturally) riddled with disinformation and evasion. To penetrate the fog has required tenacious research and evaluation. Ramsay makes the important observation that his initial research looked for MI5 operations, he now accentuates three British Intelligence agencies:

"There was a group of MI5 officers, led by Peter Wright, who were plotting against the Wilson government and, for example, trying to use the Information Policy unit in Northern Ireland to spread disinformation about Wilson and other British politicians whom MI5 regarded as 'unsound'; there was also a group of ex-SIS and former military officers, led by former SIS number two, the late George Kennedy Young, operating as the Unison Committee for Action; and there was the Crozier-IRD subversion-watcher network."

The main 'influence' on the work seems to be Richard

Fletcher's work.³ This is most evident in his focus on the rise of the Social Democratic movements, which again show the insidious nature of the right-wing of the Labour Party. The movement centring around Gaitskell and the CIA funded *Congress for Cultural Freedom* (CCF), was massively overburdened with individuals and organisations with connections to the secret state and its operations; too many people taking the money and not asking too many questions. While aspects of the CCF were exposed in the 60s, Ramsay would seem, by putting the emphasis on Brian Crozier, to indicate how its operations (in more than just the capacity of a 'news agency') survived, developed and continued. A picture emerges of interlocking organisations—'private sector' intelligence operations. The preceding accounts of 'anti-communism' among the union bosses connects with 'anti-communism' amongst agents of the secret state through several organisations such as the IRIS. Crozier's publication "British Briefing" (re-running IRD material on subversion and funded by the Industrial trust) was published by the IRIS, thus:

"What began a quarter of a century before as an anti-Communist caucus among the AUEW's senior officers, had ended up fronting for Britain's leading anti-socialist psychological warfare expert ...Three anti-socialist, senior trade union leaders, fronted the clandestine production of an anti-socialist bulletin, written and edited by former intelligence officers, financed by British capital. This anti-socialist *mechanism* also involved the connivance of the Charity Commission which allowed the Industrial Trust to operate in a breach of the charity laws."

It is here Ramsay takes an overview of the period, noting that if we can still partially see the remnants of these operations in 1989, we must question how large the whole operation was in the mid-70s; we must question its nature and the role of what are perceived to be solely propaganda operations, such as Aims of Industry. Furthermore he calls for a clear-sighted

approach by the Labour left towards the commonplace mechanism of British Capitalism to fund its opponents with a view towards subversion. What all this comes down to is that whatever evidence to the contrary, a significant part of the British right;

"...in the propaganda organisations of capital, the state and the Conservative party, believed that the CPGB was part of a global conspiracy, directed and financed by Moscow, which was working in the union movement and wider society to undermine capitalist democracy in Britain. And it is no longer self-evident that this was complete nonsense."

The latter part of that statement relates to fairly recent discoveries in Lobster and elsewhere concerning the "Moscow gold" issue and in tandem with this the issue of "secret" communist Party members in high places. Hitherto regarded as fictitious, it transpires that the CPGB was to a limited extent funded by the Soviet Union: as a form of compensation, after a large drop in membership as a result of Soviet foreign policy. The money came in the form of used notes which were amateurly laundered into party funds. While the mainstream media touched on this as a tidbit from a bygone era, Ramsay has - using the similar example of the American Communist Party's relationship to the FBI - discovered something widely overlooked:

"In the 1970s, the anti-subversion lobby, orbiting around IRD, and presumably informally briefed on the reality of the 'Moscow gold' by MI5, took the picture of real—and arguably, increasing—CPGB influence on the trade unions, and added KGB/Soviet control. To this theory the Communist Party contributed by occasionally boasting of its influence on the Labour Party; with the Labour Party itself unwittingly adding the final touch by abolishing in 1973 the Proscription List of organisations - mostly 1950s Soviet fronts - that Labour Party members could join, thus convincing the paranoids on the right that the mice were in the pantry. Unaware of the 'Moscow gold' evidence, the left dismissed the right's Soviet angle as manifestly nonsense."

He makes the key observation that MI5 had been aware of the 'Moscow gold' almost as soon as it began, and further knew who the intermediary was: Reuban Falber. One of the interesting passages in *SMEAR!* (The book written by Ramsay and Stephen Dorril) drives a coach and horses through Peter Wright's account in *Spycatcher*, of an MI5 break-in to a house where CPGB files were kept, he picks this up again here:

"Wright tells us that MI5 planned to burgle Falber's flat but their plan failed - and leaves it there! To MI5 the proof of the Moscow gold must have had something of the status of the Holy Grail; and we are to believe that having located it they made only one attempt to get it? Wright really wants us to believe that for 20 years, aware that the CPGB were getting actual cash money, MI5 were either unable to detect the pay-offs in London, or, having made one failed attempt, just gave up? This is simply not credible."

His main point is that had the existence of Soviet funding been revealed in the late 50s, the CPGB would have been perhaps irreparably damaged. For MI5 this 'secret' link to the Soviet Union became an increasingly useful weapon to use against the left in the UK, particularly the Labour party. These are his concluding remarks:

"Since so much of the British Left came either from, or in opposition to, the CPGB, it is impossible to even speculate convincingly how the British Left - or British politics - would have developed if the 'Moscow gold' had been exposed in the late fifties. But it certainly is possible that the anti-union hysteria of the late 1970s, leading to the catastrophe of Thatcherism - and the subsequent collapse of the Labour Party into its current vacuity - could have been avoided."

notes

¹ The CFR is totally ignored in most official and semi-official versions of events; John Ranelagh's long work on the CIA, *The Agency*, Sceptre, 87, completely fails to mention it in this and any other context. He has the OPC as the work of Dean Acheson (p116), then as Kennan's proposal, "...after George Marshall and Dean Acheson had both backed it." (p113); then the case for covert action is stated to have been made by Dulles "...and some other influential men outside the administration" (p134). Christopher Simpson in *Blowback*, talks of members of Kennan's Policy Planning Staff (PPS): "...Officially a somewhat egg-headed institution." Dedicated to planning US strategy for 10 to 20 years in the future. Victor Marchetti and John D. Marks' *The CIA and the Cult of Intelligence*, gives something of a revealing account of the relationship with the CFR in their reproduction of the 'Bissell Meeting' from 1968. This is a talk to The CFR by a top CIA executive and reads like a shareholders meeting.

² The CIA themselves were bitterly fought against by these and other Intelligence agencies in the US, particularly Hoover's FBI.

³ Fred Hirsch & Richard Fletcher, *The CIA & The Labour Movement*, Spokesman Books, 1977. Another influence is Phil Kelly's essay in *The Leveller* (a now defunct radical magazine), which aimed to detail links between the CIA and the Social Democrats, although Ramsay is critical of its claims.