

not going to be long before further memos prove that the Iran arms deal and the Contra arms smuggling are one and the same.

IT'S been a thin week for the Contras altogether. First, a judge in Miami gave permission for two journalists, Tony Avirgan and Martha Honey, to pursue their lawsuit against certain named members of the American foreign policy elite. The suit claims damages for injuries suffered by the pair when a bomb went off at an Eden Pastora press conference. Avirgan and Honey charge that the bomb was placed by Pastora's Contra rivals, armed and trained by the CIA. They also claim that the Contras wanted Pastora out of the way in order to take over the drug-running route on Nicaragua's southern front.

The Contra involvement in the narcotics trade is something that is just waiting to be fully exposed. In a few weeks time, a certain film will appear on a certain network and cause a certain amount of acute, not to say catastrophic, embarrassment.

This news was bad enough for the Contras and their friends and protectors. Worse was the announcement that Arturo Cruz was resigning from the Contra directorate. It had become very clear to poor old Cruz in the last few weeks that he was doomed to lose every argument with the old Somozista hatchmen who hold all the real power in the exile leadership. His time as a sort of democratic figleaf has not been a happy one. His departure will redden many faces at the State Department and in the offices of the cold-war liberal magazines.

Without Cruz, an ex-Sandinista, they have no case for saying that the Contras are a response to 'the revolution betrayed'. And, since the Contras also knew that Cruz was their only ticket to centrist support, their commitment to an outright counter-revolutionary conservative strategy is thereby demonstrated as extremely strong. It was for the sake of these men, death-squad merchants, drug smugglers and unrepentant hirelings of the *ancien régime*, that Reagan and his advisors were prepared to violate the American Constitution.

Public bafflement is not the same as public indifference, and the White House will be making a mistake if it tries to sit the whole thing out. I am reminded of the old controversy about whether or not there was 'collusion' over Suez. It may not be long before the *Washington Post* can throw caution to the winds and start its front page with that famous *Tribune* headline of 1956: 'They knew'. □

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THE JOURNALIST'S STORY

How Zircon was launched

The government has handed back material from the five Secret Society films seized from BBC Scotland in January. The Special Branch are now settling down to a long investigation of how the BBC-2 Zircon programme was made. In the interests of speed and national security, DUNCAN CAMPBELL offers a handy chronology

IN THE HEAT and fury of the last ten days, the air in the Westminster lobbies has been heavy with talk of treason, treachery and soon-to-be-brought charges against Duncan Campbell and his 'moles' under Section One of the Official Secrets Act — the espionage law, not merely the discredited anti-leaking law, Section Two. From just a few hours before the House of Commons emergency debate on the Special Branch raid in Glasgow, rumours have regularly been smeared around lobbyists and onto front pages, predicting a round-up of 'moles', and commensurate legal vengeance on the *New Statesman*.

But nothing has happened. Even senior Special Branch officers — whose honest labour of investigation could never have hoped to keep pace with the breathless drama of last week's front pages — quickly described the rumour campaign as 'malicious, unfounded and ridiculous'. After-the-fact 'security investigations' are of course a well-known circus ritual of British government, whose terms are fully understood by all participants in the great Zircon mole-hunt. Teams of police officers and security investigators have to be seen daily in frenzied activity, while ministers speak (or more usually, leak unattributably) about imminent arrest and punishment.

The Zircon affair has brought to this familiar field new levels of hyperbole. Yet it displays a tardiness of interest or enquiry by the Defence Ministry well beyond that so far castigated by the Leader of the Opposition. Zircon has been described as the 'biggest secret for decades'. The type of police enquiry it triggered is unprecedented in centuries, let alone decades. But for at least two years, up to October 1986, no one in government paid the slightest attention to progressive leaks of information about Zircon.

1984

Details of construction work on a classified new British military satellite were first published in the space industry newsletter *Interspace* on 4 October 1984. The magazine has about 600 subscribers, including staff at GCHQ itself, the Ministry of Defence, and many defence contractors. Most of

its sales, however, go abroad. One regular subscriber is the *Intersputnik* satellite organisation — in Moscow, USSR.

1985

By the time the Ministry of Defence decided to take notice of these leaks it was 22 February 1985, and *Interspace* had published its fourth article on the so-called 'Schhh-Sat'. Assuming the British and Soviet Post Offices to have performed their patriotic duties, the Soviet Union was now fully informed about the three British companies working on this highly classified satellite project; the sites of three British factories where it was being developed; and that it was being disguised as the third satellite of the Skynet series, the rest of which are ordinary communications satellites.

Only two months later, the Defence Ministry allowed through a further blunder, when Zircon contractors British Aerospace officially announced the position of the third British 'Skynet satellite' — over the Soviet Union! As we explained in the original *NS* article (23 January 1987) there were then hasty attempts to hide this information again. But there is no surer way of telling a foreign adversary (or an inquisitive local journalist) that you've got something to hide.

By April 1985 it was possible to deduce that the suspicious new Skynet was in fact a British spy satellite. Perhaps, at this time, the Defence Ministry could comfort itself that apparently the codename of the new satellite had not leaked.

But even the name Zircon is in itself a breach of security. It is a stringent and long-standing rule of allocating highly classified codenames that they should never, ever, bear any relation to the project which they describe. With occasional justification, this rule is broken — the most celebrated breach was Winston Churchill's selection of Operation OVERLORD in 1944 as the codename for the Allied re-invasion of Europe. But Zircon goes too far, and without any justification, in this, the most sensitive area of all intelligence work. Zircon is a gemstone and mineral of the element Zirconium; it is, according to geological dictionaries, an 'accessory mineral of more acid igneous rocks'. One such rock is Rhyolite — a rare lava which is noted for the occasional and remarkable appearance of such gemstones in its structure.

But Rhyolite was also the codename for the first-ever American signals intelligence satellite orbited directly over the USSR. The Rhyolite name was chosen because of the symbolic relationship between the rock and the technical challenge of doing signals intelligence from space — the selection of valuable data (gemstones) from a heterogenous mass of radio and electronic 'noise' (worthless lava). So a KGB geology team might not have taken long to guess that there might be some relationship between Project Zircon, and

Sigint satellites in space.

January-May 1986

By the start of 1986, I was aware of Project Zircon and its purpose. The next step, as Special Branch investigators have now discovered from files seized from the *New Statesman*, came in March 1986. This was a particularly suspicious and sinister manoeuvre: a telephone call by the NS to the Ministry of Defence Press Office in Whitehall to ask 'What is Project Zircon'. Would the MoD make a statement to us about it?

Whether through incompetence or artifice (which a Special Branch team may even now be investigating), I was told the next day that the Ministry of Defence had never heard of Zircon. That telephone call was intended to elicit any information they'd give, or at least a 'no comment'. It put the Ministry on notice that I was investigating Zircon.

In February 1986, I had just had confirmation that BBC-2 wanted to commission my *Secret Society* series. A programme on Zircon had not been included in the original proposal for the series, which had been drawn up in the summer of 1985. But it now seemed an extremely important topic, since I had discovered it was being financed behind Parliament's back. Before committing vast amounts of investigative time and BBC television resources to a programme on Zircon, however, it was only sensible to test the government's reaction. There would be no point starting to make a BBC programme, if it were to be stopped half way through by government anxiety, and pressure on the Corporation to call a halt.

But the Ministry told me they'd never heard of Zircon. The Special Branch didn't come and turn over my house. The Attorney-General didn't ring to say that there was a matter we should discuss over lunch at the Garrick Club. So at the end of March 1986, I proposed that Zircon should be one of the programmes in the *Secret Society* series. This was accepted. On 8 April 1986, the BBC-2 Contracts Department in London signed my contract for the series.

June 1986

Other programmes came first, and I and co-researcher Jolyon Jenkins didn't get stuck in to Zircon until May and June of 1986. On 4 June, Jolyon telephoned Dale Campbell-Savours MP, a member of the Parliamentary Public Accounts Committee, to see if the committee had been told about Zircon. Parliament, and the Committee, hadn't been told. They should have been. Deceit was, provisionally, established. Consequently, there was a clear public duty to pursue the story.

The next step was to establish that Zircon wasn't a figment of the BBC's (or my) imagination. So on 9 June, we filmed an interview with Professor Sir Ronald Mason, the former defence chief scientific adviser. He was visibly surprised (on film) at the mention of Zircon, and later warned us to be 'careful — for me, the name was more highly classified than Trident'. Indeed, some five per cent of the cost of Trident was being secretly diverted to pay for Zircon. We explained to him that the issue we were raising about Zircon was a flagrant breach of the agreement to inform Parliament. The Ministry keeping its promises was one thing, he commented, but getting GCHQ to obey the rules was 'quite another'. The next day, Professor Mason has since revealed, he advised the Defence Ministry of what we had said to him.

New Statesman 13 February 1987

July 1986

On 2 July, Jolyon and I had lunch with the former Defence Permanent Under-Secretary, Sir Frank Cooper. GCHQ's new intelligence satellite was discussed at length, and Sir Frank agreed to a film interview on the condition that he was fully informed about the exact nature of the programme. He was so informed, and no doubt also passed this news on to his old Ministry. The name Zircon wasn't mentioned to Sir Frank, however, to avoid a repeat of the embarrassment it had caused Sir Ronald Mason. Two weeks later, on camera (and as used in the untransmitted Zircon programme), Cooper told us that he thought the satellite's major purpose was to keep up appearances with the Americans.

The day after the interview with Sir Frank Cooper, Thursday 17 July, as the Special Branch raids on the *New Statesman* have revealed, I had lunch with the Attorney General, Sir Michael Havers. The year before, at a first meeting, Havers had asked me if I would take seriously any request from him not to reveal something which he considered would damage a valid security interest. I said I would — provided the security interest could be properly explained. He agreed.

When I met Sir Michael Havers that day, six weeks had passed since the Ministry of Defence had been informed of our programme on Zircon. By 17 July, the Ministry's two most senior officials knew, and had passed on, the salient facts about the Zircon enquiry. If the matter seriously disturbed the Ministry (as much as they now say), an Officials Secret Act enquiry should already have been launched. As the senior government Law Officer, Havers would know of the enquiry. If the leak wasn't serious, there would be no enquiry, and Havers wouldn't know about the programme. Sir Michael Havers didn't know.

I nevertheless told Sir Michael that many of the *Secret Society* programmes would be sensitive, and not be pleasing to some of his colleagues. But none would damage security. He accepted this assurance, which was a continuation of the previous undertaking I had given him. I had told Sir Michael that one of the programmes was particularly sensitive and would be likely to 'send Cheltenham into orbit' (a reference to GCHQ). Sir Michael acknowledged with a smile that GCHQ, like MI5, were absurdly obsessed with secrecy. We exchanged jokes about a senior MI5 official.

August 1986

In August 1986, BBC-2 Controller Graeme MacDonald officially unveiled the *Secret Society* series. The launch provided anxiety in the Corporation about the Official Secrets Act. I therefore wrote to the Head of Television (in Scotland) about the Act, noting my conversations with and undertakings to Sir Michael. The programmes would not damage security, I said, and:

I had met the Attorney General and he was amenable in principle to appearing in the 'powers' programme . . . The Attorney's willingness to appear, knowing full well the likely nature of the *Secret Society* programme, should clearly indicate that prosecution under the Official Secrets Act was not a possibility.

Copies of this letter have been taken by the Special Branch from my house, and from the BBC.

September 1986

In September 1986, we interviewed two American experts on space intelligence, Dr John Pike and

Prof. Jeffrey Richelson. They provided detailed and convincing explanations why the nature of a project like the Zircon satellite could never be concealed (an opinion confirmed this week by a former Deputy Director of the CIA itself). This evidence was of particular importance, as it was necessary for our programme to show BBC viewers that the revelation of Zircon's existence does not damage national security. The American experts more than fulfilled that task.

October 1986

Soon after 7 October, the Ministry of Defence finally took notice of our enquiries. On that day, we had interviewed Public Accounts Committee Chair Robert Sheldon MP. Sheldon had been told nothing about Zircon, he agreed — and so the Zircon programme's thesis was then finally proven. Sheldon naturally immediately initiated enquiries with the Defence Ministry, who had to admit that Zircon had by then been under way for almost four years. From Sheldon, the Ministry soon learned that the whole purpose of our programme was to expose the breach of the 'Chevaline' agreement to disclose the costs of major defence projects to parliament. So Defence Ministry Permanent Secretary Sir Clive Whitmore placed a telephone call to the BBC.

But despite the new level of official anxiety, there was still no Official Secrets Act inquiry. On 20 October 1986, I had a lengthy telephone call with Sir Michael Havers about other matters. He did not raise anything to do with Zircon, or the *Secret Society* series.

November-December 1986

The final seal of official acceptance on the programme came from the BBC's most senior legal and editorial officials. At three meetings from 10 October onwards, the BBC solicitor reviewed the Zircon programme and raised no objections. On 6 November, BBC Assistant Director General Alan Protheroe viewed a 'rough cut' in Glasgow. The national security implications were discussed at length, but Protheroe pronounced himself 'satisfied' that it would not damage national security. The few changes he ordered were on editorial and libel grounds. He then authorised the making of a final videotape, which he viewed in Glasgow on 4 December. The factual basis (as opposed to the security implications) of the Zircon programme was once again examined. Then it was 'cleared' for BBC transmission. 'I see no problem with Zipper' (the BBC name for the Zircon programme), Protheroe said 'it'll make a great first programme.'

It is now apparent that the banning of the Zircon programme stemmed entirely from Defence Ministry and GCHQ pressure, and not from the normal exercise of the BBC's judgement on security matters. And, in December 1986, despite the Defence Ministry's full knowledge, the government hadn't even whispered about any alleged breach of the Official Secrets Act. They *still* hadn't launched a security investigation. There was, in fact, no security investigation until the *New Statesman* embarrassed the Prime Minister by exposing the Zircon deception.

What is now taking place is not an inquiry into supposed Official Secrets Act offences, but an officially decreed charade of vengeance. Meanwhile, inside Whitehall, the real problem now for Cabinet Ministers is to ensure that any moles that may be found turn up in some other Minister's Department. □