

The Zircon Affair 1986-7

A BBC investigation into state secrets culminates in a Special Branch raid on BBC offices, finally bringing down Director General Alasdair Milne.

By David Wilby

Zircon was the name of a secret spy satellite being developed under the Conservative Government. It aimed to monitor communications from the Soviet Union and its existence – and its £500 million cost – were exposed by the investigative journalist Duncan Campbell. In a BBC programme he alleged that the project had been kept hidden from Parliament and from its powerful financial watchdog the Public Accounts Committee.

Campbell had a long history of embarrassing governments by uncovering their secrets. He was still best known for being a defendant in the so-called “ABC Case” in 1978, in which he was tried under the Official Secrets Act. This was a *cause célèbre* among the libertarian Left and was so called because of the initials of Campbell and his co-defendants Crispin Aubrey, a fellow journalist, and John Berry, a former soldier. The failure of the case led the Home Office to look again at the law.

Since then, Campbell’s investigations had regularly appeared in the *New Statesman* and made him the scourge of the intelligence community.

This was the figure commissioned by BBC2, in June 1985, to research and present a six-part series to be called *Secret Society*. When asked later about the decision to hire Campbell, the BBC2 Controller Graeme McDonald said he hadn’t imagined there would be a problem.

The series was to be made by BBC Scotland, and even before details of the Zircon programme were finalised, Whitehall was worried. When the series was first featured in the BBC’s autumn publicity launch, the Secretary of the D-Notice Committee, the body with power to ban newspaper and broadcast reports on grounds of national security, started to make, according to Alasdair Milne’s memoirs, “remonstration noises”.

The BBC Governors were getting nervous too. Duncan Campbell believed that Zircon broke an agreement between Parliament and the government for expensive military projects to be subject to scrutiny by the cross-party Public Accounts Committee. The newly-appointed BBC Vice-Chairman Joel, now Lord, Barnett had chaired that parliamentary committee when the agreement was drawn up. He had initially agreed to be interviewed, but pulled out after his BBC appointment. He was upset that his Labour successor on the PAC, Robert Sheldon, had faced tough questioning from Campbell and was accusing Campbell of setting him up.

Daphne Park, another BBC Governor, who had been an MI6 officer and diplomat, accused Campbell of being a “destroyer” who should not have been

employed by the BBC. The Governors' meeting on 13 November 1986 was chaired by Sir Marmaduke Hussey, recently appointed on the recommendation of Conservative ministers. During the meeting Miss Park was supported by another former diplomat, Curtis Keeble. Milne remembered the meeting in his memoirs: "Hussey, chairing his first Board meeting, made no bones about how deeply most Governors were getting to feel about this series."

Milne's Assistant Director General, Alan Protheroe, supervised BBC journalism and was proud of his links with the military and the intelligence services. He was an officer in the Territorial Army and his password on the BBC news computer system was widely known among BBC journalists: "colonel". He kept a close eye on the making of the series and was particularly unhappy about *Zircon*. As he explained in *The Listener* the following February, he had spoken to the Ministry of Defence and been convinced the programme would damage national security. By 5 December 1986, he wrote not an internal memo, but a letter directly to Milne's home, stating that the *Zircon* programme should not be transmitted.

Milne saw rough cuts of all six programmes in the series and invited the Governors to see them too, in case of another *Real Lives*-type confrontation with the government. They agreed that, with changes, five programmes would be suitable for broadcast. They had more reservations about the *Zircon* episode, but not all were as opposed to it going out as Protheroe.

Still, the Governors were far from happy. Milne remembers that at their last two meetings before Christmas 1986, they "hounded me unpleasantly over *Secret Society*". Over the Christmas holiday, he decided the *Zircon* programme would not be aired.

By the time the news got out – "BBC Gag on £500m Defence secret" as the *Observer* headline of 18 January 1987 put it – Campbell was making sure his investigations were not buried. Events moved quickly. He wrote an article for the *New Statesman*, which the government tried to stop. It took out an injunction against him – but by then the article was already written.,

The government got even tougher. Special Branch officers raided both Campbell's flat in London and the *New Statesman*'s offices, trying to discover how much he knew and how he had found out about the secret project. Campbell enlisted the help of MPs, and planned a private screening for the House of Commons – even though BBC executives warned staff not be a party to this and to return all copies of the programme.

The Commons Defence Committee was particularly keen to see the programme, since *Zircon* came under its area of responsibility. But the top civil servant at the Ministry of Defence wanted to stop them. The matter went to the Commons Speaker, who ruled the programme should not be shown on parliamentary premises. It was eventually screened nearby.

The BBC Governors became increasingly alarmed. Hussey complained to Milne that the film should never have been made and his temper was not helped the following weekend when Special Branch turned its attention to BBC Scotland. As Milne recalls: "It wasn't long before the Special Branch were running all over the BBC in Glasgow like mice, removing boxes of papers and impounding every foot of film they could find. It was a bizarre development." Pat Chalmers, then Controller of BBC Scotland, was also questioned by Special Branch officers for several hours.

But by then it was no longer Milne's responsibility. After a string of controversies, his long series of battles with the Governors had become too much for them. Two days before the Glasgow raid, after the Governors' meeting of 29 January, the Director General was summoned to the Chairman's office. Hussey told him: "We want you to leave immediately. It's a unanimous decision of the Board."

As so often with controversial programmes, the dust later settled and the mood changed. In September 1988, *Zircon* was finally screened, followed by a discussion of the controversy.

But another programme Campbell made for the series was – and remains - unshown: his investigation into secret Cabinet committees that make crucial government decisions. It was considered too sensitive as the 1987 election approached. In 1991 Channel 4 and Campbell tried to feature it in a series about banned programmes. The BBC rejected their offer, and Channel 4 had to have it remade using Campbell's scripts.

In June 1989 the Scottish Labour MP Alastair Darling, now a Cabinet minister, offered a different perspective of the *Zircon* programme during a Commons debate. Speaking from the Opposition benches, he accused the Conservatives of using it to divert attention away from their real target: the edition about Cabinet committees.

"That programme was about the election campaign of 1983, and the fact that the Government sought to undermine and spy on the citizens of this country. Their object was to prevent the programme from being shown, and the *Zircon* affair was a blind," Darling said.

Whatever the true reason for the row, even the Home Secretary Douglas Hurd had been shocked by the sight of Special Branch raiding BBC premises and made reference to "a zest for secrecy and the party's growing obsession against the BBC".

Once Alasdair Milne had gone, a tense, but calmer relationship developed between Broadcasting House and Downing Street. *Zircon* marked the high water mark of BBC disagreements with the Conservatives.