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Thatcher Disputes Spy Charge but Vows Full Investigation of British Intelligence

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LONDON — Prime Minister Margaret Thatcher said there wasn't any evidence that a former head of British counterintelligence was a Soviet agent, but she promised a broad inquiry into Britain's security services nonetheless.

That investigation seems likely to trigger new turmoil and disarray for the British intelligence and diplomatic community, already battered by past infiltration by the Soviet Union.

The latest spy concern started this week when a journalist, Chapman Pincher, charged in a series of articles in the London Daily Mail that Sir Roger Hollis, who headed the British counterespionage unit, MI5, from 1956-65, had been interrogated on suspicions that he was a Soviet "mole," or penetration agent.

"No Evidence" to Incriminate

Mrs. Thatcher confirmed that Sir Roger, who died in 1973, had been investigated after his retirement, but she emphasized that he had been cleared of being a Soviet spy. However, she added, the internal MI5 investigation "didn't conclusively prove his innocence. Indeed, it is very often impossible to prove innocence. But no evidence was found that incriminated him."

Even so, she said, the British Security Commission would review security procedures and practices, and its findings would be made public, consistent with national security.

Labor Party opposition leader Michael Foot endorsed such a review and agreed with the prime minister that Mr. Pincher's allegations were "unsubstantiated, some untrue, some inaccurate and some distorted."

The inquiry will be the first independent review of British security procedures in 20 years.

The British magazine The New Statesman contends that much of Mr. Pincher's information came from the former head of the U.S. Central Intelligence Agency's counterintelligence, James Angleton. Mr. Pincher denied that Mr. Angleton was his source. In any event, Mr. Angleton is known to maintain various contacts with British journalists.

Mr. Pincher also charged this week that the late Charles "Dick" Ellis, Britain's No. 3 intelligence officer at the end of World War II, spied for both Nazi Germany and the Soviet Union. Mr. Pincher said that Mr. Ellis made an "abject confession" in 1965 that was never made public. Mr. Pincher has also charged that the late Tom Driberg, a left-wing member of Parliament for 32 years and the Labor Party chairman in 1957-58, was a double agent working for MI5 and the Soviets.

New Allegation

Another spy book is in the works and it is likely to confuse matters more. The book, by Nigel West, apparently will argue that though Sir Roger wasn't a mole, another senior MI5 official between 1940 and 1963 was a Soviet agent.

This week's spy flap follows the disclosure in November 1979 that Anthony Blunt, a former MI5 man and keeper of the Queen's picture gallery, had worked for the Russians during the 1930s and 1940s. Blunt was identified as the "fourth man" who in 1951 helped Guy Burgess and Donald Maclean, two British diplomats, to escape to Moscow just before they were to be identified as spies. The "third man" was Harold Philby, a senior intelligence officer, who defected in 1963.

Mrs. Thatcher assured the House of Commons yesterday that in recent years the vulnerability of Britain's civil service to foreign penetration has been substantially reduced. "I have the greatest confidence in our security services," she told a questioner.

But Mrs. Thatcher's statement failed to satisfy some members of Parliament that the whole story of breaches in Britain's security services had been answered. "This statement by the Prime Minister reminds me of nothing so much as Ronald Zeigler, President Nixon's press spokesman, denying that there was any substance in the Watergate allegations," said Christopher Price, a Labor Party Member of Parliament.

Mr. Pincher, meanwhile, said he stands by his claim that Sir Roger may have been a Soviet mole. He challenged the prime minister to identify the errors in his book.

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