SECURITY AND SURVEILLANCE HISTORY SERIES

'Different Tones of Voice': Versions of Paddy Costello[1]

> 'We did not make much progress on the case of Costello. His name was mentioned almost as soon as we landed, and there were perpetual references to him from different quarters and in different tones of voice.'

Thus wrote Michael Serpell, the MI5 officer who accompanied Director General Sir Percy Sillitoe to New Zealand in 1951, to Roger Hollis of MI5 in London.[2] References to the New Zealand diplomat in the succeeding seven decades have continued to be made in these different tones of voice, especially, but not only, in New Zealand.

This article begins by examining the history and controversy around Desmond Patrick (Paddy) Costello. It then proceeds by examining the tone of voice of the Soviet Union's secret police, the KGB (from 1954) and its predecessor, before studying how that mingled with and influenced others' tones. It contends that to the KGB and its predecessor Costello was a valuable asset, particularly while he was in Paris. For MI5, he was seen at first as a security risk and the New Zealand Government was strongly urged to get rid of him; later, probably for corrupt reasons, MI5 tolerated him. The New Zealand Government, and especially Alister (later, Sir Alister) McIntosh, head of both the Prime Minister's Department and the Department of External Affairs, initially defended Costello, even at the cost of emasculating the effectiveness of its post in Paris. Perhaps pushed along by United States pressure, Costello was eventually forced to resign, and at some point McIntosh changed his mind about him, declaring that he had been a spy. The tone of voice about Costello from more recent New Zealand commentators has been mixed. Some agree that he was a spy; others see him as a wronged patriot.

Notwithstanding the release of Britain's Security Service (MI5) redacted file on Costello, it is known that there are other papers on him held by that organisation which have not yet been released and may never be.[3] It is also known that the Secret Intelligence Service (MI6) has a file on him which, based on past performance, will never be released (although one fragment has emerged, as covered below). On the other hand, we can look forward at some point to seeing Costello's file from the New Zealand Security Intelligence Service (NZSIS).[4] Consequently, what follows is based on incomplete information in an episode that might well possess further surprises.

The historical context

Just as there are different tones of voice about Costello, so he needs to be seen against different contexts, of which only one, and arguably the least important, is his New Zealand background. Born and brought up in Auckland by parents of Irish background, he had a brilliant academic career culminating in the award of a scholarship to Cambridge University. After he left New Zealand in 1932, aged 20, he returned only once, in 1950, for a two-month visit. Thus he became detached from his native country and in many ways he was more Irish than New Zealander.

Costello's time at Cambridge (1932-34) coincided with the Great Depression and its aftermath. There he encountered a strong current of opinion that capitalism and democracy had failed, that fascism was intolerable and that communism represented the least bad choice to be

embraced enthusiastically. He joined the Cambridge University Socialist Society alongside four men, later exposed as members of the famous five Cambridge spies, who were his exact contemporaries: Guy Burgess, John Cairncross and Kim Philby (who were also fellow-residents at Trinity College), and Donald Maclean. John Cornford and James Klugmann were also members and have recently been described as having 'waged a campaign of ruthlessly tactical conversations to influence, convert and recruit undergraduates' to the Communist Party.[5] One of them may well have been Costello, who did join the party although he claimed later to have resigned from it. Certainly, twenty years later Costello rebuffed an approach by Klugmann, who had, he felt, followed the party line too closely.[6]

In 1935 Costello married Bella (aka Bil) Lerner, one of a family of seven children of whom six were or became communists, including Bella herself who said she had been a member since about 1931. The following year Costello took up a teaching post at the University College of the South West, Exeter. There he and his wife continued their party work, the local police informing MI5 in 1940 that Communist Party meetings were being held at their home. During his time in Exeter, in 1937 he delivered to the Indian Communist Party the sum of 500 or 700 pounds in cash, a gift from its British counterpart. Costello was also associated with a student, Hubert Fyrth, who was convicted in 1940 of an offence against the Official Secrets Act, the local police reporting that Fyrth 'often visited Costello's house and the latter, on occasions, called at Fyrth's lodgings'. As a result of his party activities, Costello was sacked from the college in May 1940.[7]

After enlisting in the Second New Zealand Expeditionary Force, by 1942 he had been appointed as a divisional intelligence officer to its commander, General Bernard Freyberg. In 1944 he was seconded to the New Zealand Department of External Affairs and stationed in the new Legation in Moscow, although was subsequently recalled for another stint in the Army, where he was one of a party sent to Poland in 1945. Alongside his duties in Moscow, between July and October 1946 he was a member of the New Zealand delegation at the Paris Peace Conference. In 1950, when the Legation in Moscow was closed, Costello was appointed to New Zealand's Legation in Paris.

In the post-war years, Costello's career was marked by Cold War anxieties about the loyalty of government servants.[8] He came under special suspicion in 1961 when it was discovered that New Zealand passports had been issued for Peter and Helen Kroger while he was serving in the Paris Legation. The 'Krogers' (in reality American citizens Morris and Lona Cohen) had entered Britain on these false passports as part of the Soviet Union's Portland Spy Ring. Costello's relationship to the Kroger passports is fully investigated elsewhere.[9] Briefly, while Costello did not sign them – only Jean McKenzie, the charge d'affaires, had that power – there is expert evidence that has not been contested that Costello completed the particulars in Peter Kroger's passport. There are also other aspects which point to Costello's involvement in some way in their issuance, not least the belief of KGB defectors that he had issued them which, while technically incorrect, indicates institutional knowledge implicating him deeply in the affair. I was informed by the NZSIS that 'an investigation was conducted both in New Zealand and overseas' with an 'inconclusive' result.[10]

In 1981, former Director of the NZSIS Sir William Gilbert stated, somewhat ambiguously, that 'Costello had no direct part in [the Kroger] affair' and that 'the real story of how those passports came to be issued has never been determined'.[11] Costello was interviewed about the matter but denied having known the Cohens and no further action was taken.[12] In any case, evidence of Costello's involvement with Soviet intelligence goes beyond the circumstances of the

Kroger passports. It includes such matters as his meeting with a Soviet agent shortly before his death in 1964, at age 52.[13]

The Soviet voice

So far as the KGB and its predecessor was concerned, Costello was 'one of us', to use former British Prime Minister Margaret Thatcher's expression, and three of its officers – two of them defectors – said as much. The first was Anthony Blunt, who told Peter Wright, the MI5 officer who debriefed him after he confessed in 1964; Wright subsequently told the English investigative journalist[14] Chapman Pincher that 'Blunt also pointed the finger at another Cambridge acquaintance whom he knew as a Communist and who might have been recruited as a spy. This was the late Paddy Costello, a New Zealander who became Professor of Russian at Manchester University.'[15]

While there is no suggestion on Costello's MI5 file that he was spying during his time at the New Zealand Legation in Moscow, in view of his later activities it would hardly be surprising if he were keeping Soviet intelligence aware of such information as he acquired. He is recorded as having urged Boris Pasternak to become a better member of the Communist Party.[16]

During discussions with McIntosh in 1978, the journalist Michael King asked whether two of the staff at the New Zealand Legation were 'openly and committedly Marxist at that point'. McIntosh replied:

> 'Well, we didn't know when we appointed Costello, he certainly was. He was definitely a member of the Communist Party and he had been heavily involved with the Spanish Civil War. I forget it all now. I have a whole lot of papers about it which will have to be destroyed. [He] was a terrific personality and he influenced a whole lot of the staff [in Moscow] except [First Secretary R.T.G.] Patrick.'[17]

King confirmed this latter point in the early 1980s with Dan Davin, who noted in a letter to King that nearly all the staff in Moscow 'seemed to fall under [Costello's] spell' and 'all were later investigated for allegedly subversive activities in the 1950s'.[18]

In 1961 Major Anatoli Golitsin of the KGB, codenamed KAGO, defected to the United States' Central Intelligence Agency (CIA) in Helsinki.[19] He was one of the defectors who identified Costello as having issued the Kroger passports in Paris, and he also evidently suggested that Costello had not been the only staff member in Moscow providing assistance to Soviet intelligence. A memorandum about Costello from MI5's man in Wellington, dated 21 June 1963, included the following:

> 'In view of KAGO's revelations, the N.Z.S.S. [later, NZSIS] have recently started to make what were planned to be exhaustive inquiries about the various members of the New Zealand Diplomatic Service who were in Moscow at the same time as COSTELLO.'[20]

One contemporary of Costello in Moscow, Douglas Lake, had resigned from External Affairs in 1954, his wife, who had also been on the staff, having published a pro-Soviet pamphlet. Another, Douglas Zohrab, was already considered suspect by 1963.[21]

So far as Soviet Intelligence was concerned, Costello's finest period of service was in Paris, where from 1950 to 1954 he was first secretary. Besides his help in securing passports for the Krogers, he became one of the top ten KGB spies in that key European city. He not only did this against considerable competition from fellow spies, most of whom were working in the French intelligence community, but also while suffering from the disadvantage that no classified information was being received at the Legation from New Zealand or from the United Kingdom Embassy. This state of affairs came about because of Costello's presence there, a ban on the passing of such information having been imposed by the British authorities.

Testament to Costello's services in Paris came from Golitsin who not only confirmed that he had a role in securing passports for the Krogers but was also able to establish from his knowledge of Soviet intelligence activities in Paris Costello's broader role as a long-term agent.[22] Supporting testimony also came from Vasili Mitrokhin, the former KGB archivist who defected in 1992, bringing with him six cases of notes he had made from the KGB archive. Mitrokhin was particularly interested in the group of KGB spies known as illegals ('legal' spies operated under diplomatic or consular cover in USSR Embassies) of whom Costello was one, operating under the codename LONG – a 'valuable agent' of the Paris residency, among its top ten.[23]

It is reasonable to ask how Costello was able to be so effective while being denied direct access to classified information. There were two reasons, the first being his facility with languages. This allowed him to deal with the French in their own language and with other Europeans, particularly diplomats, in theirs. The second was his experience as an intelligence officer during the war. Dan Davin, who had served with Costello in wartime intelligence, noted his 'power to make inferences from casual bits of information'.[24] Once when Davin sat in on a Costello interrogation he observed 'how swiftly his technique adjusted itself to the different characters and how rapidly he got from them whatever relevant and useful information they might have to give'.[25] Information obtained by Costello in Paris may have been passed on orally to the Russians at various diplomatic functions, or reduced to writing and passed to Henri Curiel – 'a Communist and alleged KGB agent' who was the cousin of George Blake, a British spy who worked as a double agent for the USSR – who came to Costello's house at Viroflay quite openly. So did many others, any one of whom could have been a 'cut-out', as the spy trade talk has it, an intermediary.[26]

Costello's last known contact with the KGB was in London in 1963, when he was observed twice meeting an identified KGB officer in a clandestine manner. At this time MI5 had begun to investigate Costello again after his wife was detected obtaining birth and death certificates for dead children 'whose identities were under consideration by the [Russian Intelligence Service] for illegal cover purposes'. She used a false name in making the applications, but used the Exeter address where the family had lived from 1936 until 1944. This address was recognised by MI5. A 'strong similarity' was also noted between the handwriting of Mrs Costello and her assumed identity.[27] The passport for 'Peter Kroger' was issued in Paris partly on the basis of a forged New Zealand birth certificate, the original (for a person who had later died) having been obtained by a Soviet sympathiser.[28] Costello was compromised in London as a result of his wife seeking similar certificates for similar purposes.

There are at least two possibilities about the purpose of the London meetings. One is that while Costello had been away from government service for some years, the KGB might nonetheless have wanted to get his views on some current matter, as it did with Maclean after he had defected.[29] The second is that, given news of Golitsin's presence in the UK, Costello might

have been understandably anxious that he might name him, as indeed he did. Costello was not the only spy worried about Golitsin. Historian Christopher Andrew records that after Philby's defection in January 1963, 'his third wife Eleanor revealed that he had become very nervous during the previous summer and had begun drinking even more heavily than usual'. 'The obvious explanation', Andrew observes, was that Golitsin 'might be able to identify him as a Soviet agent'.[30]

Thus the Soviet intelligence community's voice on Costello. It sustained him, even though he let it down by getting publicly drunk in 1950. Had he not done so, he might have finished up as head of mission in Paris and thus been of even greater benefit to Soviet intelligence. He let the KGB down again in 1954 when he was eased out of Paris and External Affairs for reasons speculated on below. Stress related to his Soviet connections might have contributed towards his death from coronary thrombosis and arteriosclerosis only three months after his last visit to London to see his comrades, perhaps being fearful of losing his job because of Golitsin's revelations and thus being unable to support his family.

In some ways, the Soviet tone of voice regarding Costello was the only constant voice: more constant than his employers at University College, Exeter, and the New Zealand Department of External Affairs, from both of which he was forced out; and more constant than that of MI5, which for reasons explored below, was fitful and erratic. Certainly, the Soviet voice influenced many subsequent tones and, in some ways, what follows seeks to ascertain how that tone intersected with and influenced the attitudes of others towards Costello.

The MI5 voice

Research in the institution's files released to the National Archives shows that it is not possible to talk of a single MI5 voice on Costello, with different officers adopting different tones. However, the two major voices were (1) the conventional, exemplified by Sir Percy Sillitoe when he was Director General of the service, and (2) the subversive, exemplified by Roger Hollis and those influenced by him. Hollis became Director General of MI5 in 1956, and held the position until his retirement in 1965, during which time he fell under suspicion as a Soviet agent. A verdict of 'not proven' was in effect reached and the matter continues to be a subject of debate. My own view is that the evidence against him is strong, not diminished by the fact that MI5's defence of his integrity is confined largely to attacking Hollis' accusers rather than providing detailed refutation of their arguments. I have provided evidence elsewhere that Costello was protected by Hollis.[31]

As the MI5 officer responsible for Commonwealth Relations, Hollis was in the ascendancy during the war when information adverse to Costello – notably that he had been dismissed from University College, Exeter, because of his communist activities – was received but not initially passed on to New Zealand. Only when Costello received a British diplomatic passport in 1944, before he went to Moscow, was MI5 moved to action. Then, a misleading and incomplete account of the Exeter episode and Costello's other activities was sent to Wellington by the Dominions Office, using information provided by Hollis, the principal omission being information received by MI5 that 'certain of the Communist Party leaders [in the UK] were aware of COSTELLO's departure from this country in July last [1944], and it is possible that COSTELLO was seen by one or more of the leaders'. There is no indication on Costello's MI5 file that the agency ever pursued the Exeter matter with New Zealand during the war, other than this memorandum (although McIntosh did later raise the issue of Costello when he was in

London in 1949). In short, the Costello case points to the subversive voice within that MI5 that was exemplified by Hollis.

Another, more conventional MI5 voice on security in New Zealand was heard in the post war years. On 10 June 1949 Major-General Keith Stewart, Chief of the New Zealand General Staff, and Colonel 'Bill' Gilbert, Director of Plans in the New Zealand Army, attended a meeting of the United Kingdom's Joint Intelligence Committee, as did Guy Liddell, then Deputy Director General of MI5. Liddell kept a diary during his time at MI5, now available at the National Archives, and in this he made a note of what they had to say. On being asked about security in New Zealand, they replied that the problem was a small one relative to other countries; while the establishment of a specialist security service had been considered, this was not taken further owing to 'unfortunate experiences' during the war. Liddell leapt on this and asked if they were referring to Kenneth Folkes, a British Army Major who had been appointed to head New Zealand's new wartime security service and whose tenure had ended in a public debacle.[32] When this was confirmed, Liddell declared that MI5 had no responsibility for sending Folkes out or anything else to with his unfortunate behaviour. There was some further discussion about counter-espionage and Liddell 'had the feeling' that the two Army men were not entirely satisfied with the present position, which left security intelligence in the hands of the New Zealand Police Force rather than vested in a stand-alone service.

Although he did not say so at the meeting, Liddell recorded his opinion that the person who was really responsible for the Folkes affair was 'the P.M. [Peter Fraser] himself, who made a complete hash of the whole business'. He concluded that there would be no specialist security service in New Zealand until the present police commissioner (James Cummings) retired or a new Prime Minister took over. In the event, a new security service took longer than that to be established, and Gilbert would be its first Director after the NZSIS was finally established in 1956.[33]

Meanwhile, by early 1951 New Zealand was being seen as comatose on security issues by those with conventional views inside MI5. The minutes of its Director-General's meeting of 20 February 1951 (covered by the Liddell diaries) show that the Director of B Division said that 'New Zealand had recently come to life in a security sense', an inquiry having been received through military intelligence channels about the case of Ikar Lissienko. The latter was 'a Soviet citizen living in New Zealand who was alleged to have spoken of his recall to the U.S.S.R. for mobilisation, and of his espionage activities in New Zealand'.[34] While this case proved to have no security ramifications, the ensuing discussion revealed a lack of contact with New Zealand on security issues to that point. There was talk of 'this whole [Lissienko] matter' enabling MI5 to 're-enter the New Zealand field', of the possibility of MI5's Security Liaison Officer in Australia paying a visit to New Zealand, and of a previous suggestion from New Zealand military circles that MI5 should provide advice. While the 1949 exchange between McIntosh and Hollis on the Exeter matter seem not to have been mentioned, the spectre of Folkes was again raised as one of the difficulties in the security relationship with New Zealand.[35]

Further New Zealand military interest in security shortly became apparent, boosting British hopes that New Zealand would professionalise its security intelligence mechanisms. On 26 June 1951 Liddell's diary recorded an approach from New Zealand House via the Air Ministry about a proposed visit to Sir Percy Sillitoe by the New Zealand Minister for Defence, Thomas Macdonald. Liddell noted that 'we had already heard that Macdonald was seeing the Secretary of State for Commonwealth Relations about the setting up of a new Security Service in New

Zealand'. Whether or not Macdonald was prompted by his military intelligence officers, in the event he saw Sir Percy and Sir John Shaw, the Director of MI5's Overseas Section, on 2 July. Liddell was not present but recorded that the discussion was:

> '… about the necessity of improving the work of the Special Branch of the Police. [Sillitoe] offered to go out, but Mr Macdonald is apparently apprehensive about the possible publicity that might result. He does not want to run the risk of an attack in parliament on the lines that a Gestapo is being set up, neither does he wish to offend the susceptibilities of the New Zealand Commissioner of Police … Macdonald is to communicate with us if he wishes for our assistance in any way.'

Perhaps anticipating what would happen, Liddell had suggested to Shaw before the meeting that, as a possible compromise between unfettered police control of security intelligence and a new specialist agency, a committee might be set up 'with a representative of the Prime Minister's office in the chair and members from the three Services and the Commissioner of Police to cover matters connected with security.' Again, the exchanges between McIntosh and Hollis over Costello's Exeter experience were apparently not mentioned, giving rise to some suspicion that at that time that both the British and the New Zealand left hands were not fully aware of what their right hands were doing.[36]

We now turn to the specific question of Costello in the security relationship between New Zealand and the United Kingdom. The greatest development in MI5's conventional tone of voice over Costello occurred after the restrictions placed – 'at some worry and inconvenience' – on the New Zealand Legation in Paris by the United Kingdom's Embassy in that city. These followed an adverse security report on Costello by MI5 dated 29 September 1951, and were instituted to ensure that Costello and its other staff did not have access to classified British information. New Zealand was initially not informed of this restriction. When Sillitoe became aware of it, he sought and received the permission of the Foreign Office to inform New Zealand. During a visit to New Zealand and Australia in October 1951, Sillitoe (who was accompanied by Michael Serpell) accordingly informed both Prime Minister Sidney Holland and McIntosh that Costello was regarded as a security risk. This was despite an extraordinary attempt at the last minute by Hollis and like-minded colleagues to throw him off course by urging their Deputy High Commissioner in Wellington to prevail upon Sillitoe not to raise the matter with the New Zealand authorities.

In January 1952 Holland met with Sillitoe in London and, given that no action had been taken over Costello since his approach in New Zealand, Sillitoe again raised the question, adding that MI5 considered McIntosh's views on security to be 'unsound'. Sillitoe reported to Sir Percival Liesching, the Permanent Under Secretary of the Commonwealth Relations Office, that he had warned Holland 'against the over liberal views of certain of his government officials who seemed ready to tolerate the employment in his own department and the Department of External Affairs of people who were known to the New Zealand Police for their Communist connections.'[37] No action had been taken by the time Sir Percy retired as Director General in 1953.

At this point Hollis became Deputy Director General of MI5 and in 1956 ascended to the top job, where he remained until his retirement in 1965. From 1953, accordingly, the voice on Costello at the highest levels of MI5 changes, with no further recorded attempts to persuade New Zealand to dispense with his services. Furthermore, a 1957 Manchester Police report showing Costello and his eldest son Mick engaging in suspicious activity – two known KGB

officers had rung Costello's home and had been shown around the docks by Mick – was sent on to MI5 but was not investigated. The 1963 MI5 investigation into Costello, following his wife's suspicious activities, was authorised by Hollis because it was based on solid information that not even he could have ignored.[38]

This incident highlighted a long history of MI5 withholding information from New Zealand, and/or of McIntosh keeping documents from the New Zealand security authorities. When, for example, the Security Liaison Officer in Wellington wrote to London about local reaction to the MI5's news in 1963 about Costello's activities, he conveyed a request from Gilbert for 'any representations which [MI5] may have made to the New Zealand authorities' about Costello: the only record to be found on the NZSIS's files was 'a reference to' the 1944 letter form the Dominions Office. The liaison officer noted that his own files contained only two relevant documents: a copy of the September 1951 MI5 security assessment (but with no information 'as to whom this information and advice was passed') and an extract from a letter dated 29 January 1952 which recorded a conversation between Holland and Sillitoe about Costello.[39]

Official New Zealand voices

We have heard from Prime Minister Holland an entirely consistent voice with its ignoring of MI5's advice about Costello, at least in the period from 1951 to 1954. McIntosh's voice, however, comes in two distinct registers: the first initially loud and pure, and the second discordant. McIntosh was delighted when Costello put his hand up to go to the New Zealand Legation in Moscow, and his vetting was perfunctory. After the (incomplete) MI5 material about Exeter arrived in Wellington, McIntosh wrote to Costello about it in 1945, saying reassuringly that he was 'entirely satisfied with [his] vetting'.[40] Thirty years later, however, he had come to regret that he had not been more thorough. Indeed his story had changed, for he told Michael King about 'the mistake we made' when taking him on: 'not getting him vetted for security'.[41]

The MI5 material about Exeter, albeit incomplete, had provided McIntosh during the war with an opportunity to repair his omission to vet Costello, but he failed to take it. Details of the MI5 report and Costello's lies when McIntosh put the allegations in it to him, are covered elsewhere,[42] but it is sufficient to suggest here that a more thorough man than McIntosh, and one less dazzled by his clever junior, would have sent Costello's responses to London for further inquiries to be made. There is no record to suggest that he took any further action at that time apart from discussing the matter with Prime Minister Fraser.

McIntosh's supportive voice is a persistent one during Costello's diplomatic service. In 1946, he and Costello attended the Paris Peace Conference as part of the New Zealand delegation. Costello proposed that New Zealand support a communist-bloc resolution requiring the forced transfer of 200,000 Magyars from Czechoslovakia to Hungary. This was rejected, in horrified terms, by Prime Minister Fraser as 'an action which would come as a grave shock to the moral and religious conscience of our people here'. The full details of the episode remain to be uncovered, but McIntosh had to reassure Costello later that Fraser still had the fullest confidence in him, as McIntosh himself did.[43]

In 1949, McIntosh informed Hollis in London that Costello would shortly become New Zealand's Charge d'Affaires in Moscow. When asked if he was satisfied about Costello's 'reliability', McIntosh replied that he and Prime Minister Fraser had discussed the matter 'in

great detail and had decided that he was trustworthy, and that his wife was no longer a Communist'.[44]

The events surrounding an episode in Auckland in September 1950, in which Costello was found drunk in public and spent the night in police cells, likewise show McIntosh as covering for him despite his reprimand by no less than Prime Minister Holland. McIntosh later told King that when he subsequently saw Costello in London, he confirmed that the posting to Paris would proceed as an interim measure:

> 'I had to tell him that as far as his career was concerned, it was finished and so he said, well give him time and he would get another job, well in the end he didn't get another, it dragged on and on and on and by that time of course, he'd gone back to his communist friends …'[45]

It 'dragged on and on and on' largely because of McIntosh.

After McIntosh returned to New Zealand in 1950, he was seen on 10 November by Sub-Inspector P.J. Nalder, head of the Police Special Branch. Nalder's notes of the conversation survive, with some redactions, and show the lengths to which McIntosh was prepared to go to protect Costello. Claiming that Costello had denied ever being a member of the Communist Party, he added that, as a result of his inquiries when Costello was appointed, MI5 'had nothing conclusive concerning Costello'.[46] As Costello had admitted to McIntosh to being a Party member at one time, and as the latter had raised no inquiries with MI5 at the time of Costello's appointment, both statements were false. There is, moreover, no evidence that McIntosh made Nalder aware of the Exeter matter. He noted that Costello was likely to leave the diplomatic service 'within the next few months', and persuaded Nalder not to mention the drunken episode to MI5 on the basis that he, McIntosh, would do so. It might reasonably be inferred from these notes that McIntosh was trying to ease Costello's exit from External Affairs and did not want to see his future career prospects elsewhere to be ruined.[47]

In a letter of 4 December 1950 to Hollis, McIntosh stressed how well Costello had performed in Moscow as well as the very favourable impression he had made on the new Prime Minister (Holland) and other ministers during his visit to New Zealand. Having referred to the drunken episode in Auckland, and the view of the New Zealand Police that it should be taken further, McIntosh wrote that 'I would be sorry to see this done'. This was, he said, mainly because if an investigation similar to that he had been asked by the Prime Minister to conduct in 1948 with regard to prominent public servant William Ball Sutch (also considered a security risk) took place, 'it may very well be people will be warned off against Costello and his usefulness to the New Zealand Government will be greatly diminished if not completely nullified'.[48] An MI5 officer – certainly not Hollis – had noted the comment about 'his usefulness to the New Zealand Government' and added in the margin 'and to the Russians!'

In his letter McIntosh noted that he had promised the Special Branch that he would let Hollis know about the Costello incident 'rather than [go] through the direct routine approach, which might set in train the consequences to which I refer above', and asked therefore that MI5 not take any action until after he had seen Hollis in London. There was, moreover, a further limb to McIntosh's case that no further action be taken:

> 'We don't wish to appoint diplomats all over Europe. We are hoping to use the Paris office as the post from which we will accredit people to other European capitals.

> Costello, as you probably know, is a most remarkable linguist, speaking practically all European languages and it would be his function from time to time to visit other European capitals in the course of his normal duties.'

This curious argument amounted to saying that Costello was too valuable an asset to New Zealand to risk being investigated. Moreover, in setting out his future plans for Costello's role in Paris, McIntosh's predictions to Nalder about the short-term nature of the appointment were shown to be hollow.[49] In the event, McIntosh's projected meeting with Hollis in London did not eventuate.

When on 23 October 1951 Sillitoe raised in Wellington the issue of Costello and the security sanctions in Paris, McIntosh asked for time to consider the matter. But Sillitoe brought the matter up again on 7 November, with McIntosh stating that he:

> '… had not yet discussed this case with his Minister (Mr [Clifton] Webb) or the Prime Minister, but repeated his personal view that COSTELLO was not a security risk. He said he would tell his Minister that he was prepared to bow to other opinion, but that his own advice would be to leave COSTELLO in his present position until a book he was writing had been published [as] its appearance would be a suitable occasion on which to advise COSTELLO once more to leave the Foreign Service and return to a University career.'[50]

This was clearly not the view of the Special Branch, and the Police Commissioner was cited at this time as speaking strongly against Costello's further employment, 'showing as he did a lack of confidence in McIntosh's understanding of security requirements'.[51]

As we have noted, Sillitoe had told Prime Minister Holland in Wellington and again in January 1952 in London that in his assessment Costello was 'unsound'. But while Holland responded that McIntosh proposed to remove him as soon as possible as a potential menace to security, he undermined this assessment not only by not securing his removal but also by taking him on official visits to Belgium and Holland. Before a proposed visit to Germany was cancelled following King George VI's death (on 6 February 1952), both MI5 and MI6 had become alarmed at the possibility of Costello becoming aware of secret matters there.[52]

On another visit to London in December 1952, Holland evidently tried to see Sillitoe but was palmed off to Sir John Shaw, the Director of MI5's Overseas Section, who reported later that he had spoken to Holland, who 'had admitted inaction on the D.G's report and undertook to look into the matter when he returned'.[53] The headmaster having given a task to the pupil, another master was commissioned to ascertain whether the task had been carried out; but the errant pupil confessed that it had not!

Moreover, the task remained unfulfilled over the next few years. After Holland attended the Coronation in London in 1953, Costello drove the Prime Minister and his wife around Europe for the whole of July.[54] When McIntosh was in London in May 1954 and saw Sir Dick White, who had become Director General of MI5, the latter's note on their conversation recorded that McIntosh was:

> '… now anxious to speed COSTELLO's departure because it is an embarrassment to have him in the Department on the present basis of distrust. He implied that he personally continued to consider COSTELLO perfectly reliable but, recognising that the U.K.

> government distrusted him and that his own security authorities also considered him suspect, he felt that there was no other course but to let him go.'[55]

Also from this period there are three extracts on Costello's MI5 file from various reports which indicate ongoing British feeling about New Zealand's lack of action, one of them also revealing an important new development in the story. An MI6 letter noted that it was 'a little difficult to understand' why the New Zealand authorities would 'be content' to retain two individuals such as Costello and Douglas Zohrab in 'a small, but highly important mission'.[56] The Commonwealth Relations Office recorded that 'we have been in touch with the New Zealand Government [about Costello] since the latter years of the war, and have sought gradually to lead them to a decision to terminate COSTELLO's services.' It expressed hope that 'something will be done without undue delay'.[57]

The report which added a new dimension came from the Security Liaison Officer in Canberra, whose responsibilities extended to New Zealand. He had been in discussion with Foss Shanahan, McIntosh's deputy, and reported that the authorities across the Tasman:

> '… had come to the conclusion that their New Zealand post in Paris, as at present staffed, was more or less useless, as on security grounds its members had not the confidence of their U.K. colleagues. Shanahan pointed out that, since the case of Costello had come to a head, the New Zealand Government had only on one occasion passed some classified information to Paris.'[58]

There can have been few more extraordinary events in the history of New Zealand diplomacy: a post had been rendered 'more or less useless' by a determination to retain an individual member about whom the most senior levels of the New Zealand administration had been warned. Moreover, although Shanahan had gone on to tell the liaison officer that it was proposed to withdraw all the staff in Paris early in 1954 and 'replace them with an entirely new cast', when Costello did leave the Legation in 1954 he was succeeded as First Secretary by Zohrab (who, Shanahan had opined, it would be difficult to find other employment for, as with Costello).

The adverse influence of Costello and others on the reputation of their country at this time has yet to be properly assessed. But there is a great deal of evidence to this effect. In April 1954, upon news of the Petrovs' defection in Australia, Dick White informed (among others) Liesching, head of the Commonwealth Relations Office. His note of the conversation was made public in 2011 when MI5 released through the UK National Archives a number of files concerning the Petrov case, and its last paragraph read:

> 'By way of final comment, he [Liesching] wondered whether – if a public scandal occurred in Australia – the New Zealand Government would be persuaded to put their house in order, and suggested that we might review the possibility of doing more with New Zealand after the effect of the breaking of the Australian case became known.'[59]

On 20 October 1955 the Security Liaison Officer in Canberra told London that a gallery of photographs of Soviet spies identified by the Petrovs would be provided by the Australian Security Intelligence Organisation (ASIO) to both the United States and all Commonwealth countries, with the exception of New Zealand. 'The latter omission', he wrote, 'is perhaps all to the good, in view of the danger of leakage back to the Russians, given the poor state of security in New Zealand at the present time'.[60]

As we have noted, at some point before his death in 1978, McIntosh completely changed his mind about Costello. In 2000 Michael King wrote to Prime Minister Helen Clark seeking access to the NZSIS files on Costello and Sutch for use in a scholarly book on the pair. He explained that in 1978 McIntosh had spoken with him 'at length' about them, and that 'McIntosh believed that both men had been working for the Russians when they were employed by the New Zealand Government, and produced evidence to this effect'.[61] We do not know what caused him to change his mind.

Nor do we know the precise circumstances of Costello's forced resignation from the diplomatic service in late 1954. It is possible that United States pressure had intensified. As historian David Horner shows in some detail, the Australian experience in the late 1940s indicated that the Americans were quite prepared to withdraw security co-operation from a country which did not meet its requirements, a development which led to the establishment of ASIO.[62] James McNeish provided a plausible clue to what might have happened, albeit without quoting sources: in the 1950s 'the American Ambassador to New Zealand, Robert Scotten, called on the Prime Minister, Holland, and demanded Costello's dismissal. Sidney Holland, under the combined British and American pressure, buckled.'[63] That Holland in effect ordered the removal is strengthened by a letter McIntosh wrote to Jean McKenzie in October 1954 (cited by McNeish) which claims that while he and Minister for External Affairs Clifton Webb believed there was nothing against Costello, Webb was 'not prepared to go against the P M.'[64]

Other New Zealand voices

Although McIntosh eventually changed his mind about Costello, his earlier view that 'it can't happen here' has resonance with other voices within New Zealand through time. After the Petrovs' defection and the subsequent establishment of a Royal Commission in Australia, Special Branch head Inspector Nalder was despatched to Canberra by Prime Minister Holland to deny suggestions made about Soviet spying influence in New Zealand.[65] On 21 May 1954, the MI5 man in Australia reported to London as follows (getting Nalder's name wrong):

> '1. As political measure New Zealand Prime Minister sent NAYLOR to opening of Commission to warn SPRY [the Director General of ASIO] or me.
> 2. NAYLOR told SPRY such Russian behaviour did not occur in New Zealand which was not well received by SPRY.
> 3. In an attempt to cure his complacency NAYLOR now with RICHARDS [another ASIO officer] in Sydney trying to discover further details from P[etrov] about M.V.D. [a precursor to the KGB] activities in New Zealand.
> 4. NAYLOR returns to Wellington tomorrow.'[66]

Nalder reportedly declined the opportunity to interview Petrov.[67]

In 1962 two Soviet diplomats were expelled after allegations of spying.[68] The *Guardian* correspondent in Wellington noted that the Soviet Union had chosen New Zealand as 'a weak link' in the chain of international alliances to which New Zealand belonged; and that 'on several occasions both Britain and the United States have sought a tightening in New Zealand's security arrangements because of suspected leakages of information'. He cited an 'authoritative source' as saying that 'the net had been thrown around' the two diplomats only after information had been received from London following the naval secrets case and the arrest of the Krogers.[69]

As a result of earlier New Zealand official attitudes towards security issues, its allies' concerns continued at least into the 1970s. In 1974 Mr Justice Hope of the Supreme Court of New South Wales was appointed by the Australian Government to conduct a Royal Commission into Intelligence and Security, and in 1998 he recorded for the National Library of Australia some reflections on his life. He said of his time as Royal Commissioner:

> 'One of the interesting things about that was the relationship between Australia, US, Canada and Great Britain. There was this agreement called the UKUSA agreement under which there was an exchange of material. There were some qualifications to it and one never knew what we weren't told by either the British or the Americans. New Zealand was supposed to be in it too but it organised nothing. They weren't trusted, quaintly enough.'[70]

In 1975, in the context of an attempt to secure conviction of William Sutch for spying, Deputy Prime Minister Bob Tizard stated that he would like to see the NZSIS disbanded. While Prime Minister Rowling disagreed, certain revelations during the trial (which led to acquittal) caused him to ask Chief Ombudsman Sir Guy Powles to undertake an inquiry into the Service. His July 1976 report found operational faults, but essentially provided a strong endorsement of the Service – countering those who took what he saw as the 'wholly untenable position' which held that 'New Zealand as a nation has no national secrets of sufficient importance to warrant taking any special steps to guard them from unauthorized publication or espionage.'[71]

In 1999, when Mitrokhin material was published, some New Zealanders accepted that it revealed Costello to have been 'an agent of the Soviet Union'.[72] Two later accounts, both relying on the Golitsin and Mitrokhin material, concurred. In 2006, former NZSIS officer Kit Bennetts declared that 'Paddy Costello was, without any doubt whatever, an NKVD/KGB spy – recruited in Cambridge along with Philby, Blunt, Burgess, McLean (sic), Cairncross, Straight, [Leo] Long et al.'[73] In 2007 journalist Graeme Hunt wrote that the youthful Costello was 'the most important New Zealand spy recruited by the Soviet Union'.[74]

Notwithstanding these voices, the recent narrative about Costello has been dominated in recent times by James McNeish's biography of Costello, *The Sixth Man*, published that same year. A good deal of the detail turned out to be factually inaccurate (a recent comment describes it as 'overly fictional',[75] which is perhaps excessive). But McNeish's views about Costello as a spy do not depend on detail: rather, they depend on a belief in his innocence that is grimly clung to in the face of a great deal of evidence and which involves shooting (or ignoring) various messengers.

The first allegations against Costello, made by Blunt to Wright and publicised by Pincher, were dismissed by McNeish as a 'smear' that was later 'repeated and amplified by Chapman Pincher [and] although unsupported by evidence of any kind, has since been parroted and embellished by a generation of British writers.'[76] As Pincher later made clear, his source was Wright,[77] who is dismissed by McNeish as 'a fantasist' and his book *Spycatcher* described as 'discredited'.[78] Even strong critics of Wright and his book, however, show more balance, quote from his book when it suits their purpose and acknowledge the value of some of his work.[79] Other evidence is also ignored in McNeish's book. Despite Golitsin's evidence on Paddy Costello having first surfaced in 1989 in John Costello's *Mask of Treachery*, for example, the KGB defector is not mentioned. This is despite *Mask of Treachery* being listed in his

bibliography, and John Costello's appearance in the notes as one of a rogues' gallery of those 'falsely charging Paddy Costello with providing passports'.[80]

The most blatant example of McNeish drawing conclusions in the face of the evidence occurs when he deals with Mitrokhin's evidence as it appeared in the book the defector co-authored with Christopher Andrew. Early in *The Sixth Man*, he raises the matter and refers to meeting 'the author' (by which he means Andrew) in Cambridge. After 'an extended and entirely amicable discussion', McNeish records, 'I was unconvinced. Professor Andrew readily admitted that beyond a codename and a brief reference found in Vasili Mitrokhin's notes, he knew nothing more about Costello. After further checking I decided that through no fault or design of his own, he too had become part of the myth-making process.'[81]

The discussion may have been entirely amicable, but McNeish's description of it seems at odds with Andrew's expertise. Moreover, his dismissal of the Mitrokhin material is unsustainable given that it had disclosed the code name assigned Costello by the Soviet Union, canvassed his role in the issuing of the Kroger passports, and described him as being one of ten especially 'valuable agents' in Paris in 1953. This hardly counts as 'a brief reference'.

Later, when dealing with Costello's time in Paris, McNeish writes:

> 'This is the period when Costello was under surveillance by the British and allegedly active, according to a book published in 1999, *The Mitrokhin Archive*, as a Soviet agent. The author of the book, Christopher Andrew, cites a KGB [sic] file for 1953 listing Costello, codenamed LONG, as 'a valuable agent' of the Paris residency. The Paris rezident is not named. Professor Andrew has no further details, he says.'[82]

In the relevant notes, McNeish accuses Andrew of 'falsely charging Paddy Costello with providing passports'. Then, having reproduced the extracts quoted above from *The Mitrokin Archive*, he continues as follows:

> 'Professor Andrew has no further information about Costello, he says. Without this information, the statement must be taken with a large dose of salt. Just as journalists try to justify big expenses, so 'agents' try to inflate the extent and importance of their 'sources' and rezidents their networks. Had Costello been of any value to the Russians, it seems unlikely that they would have given him a codename by which he could be easily identified. Costello was almost 6ft 4in tall.'[83]

It should be noted that *The Mitrokhin Archive* was based on notes made by Mitrokhin when he worked for the KGB and its predecessors. When McNeish says that he decided that Andrew was wrong about Costello, then, this can have little force given that the information essentially came from Mitrokhin. While McNeish claims to have reached this conclusion 'after further checking', no specifics are given – perhaps another 'private source', as with the imaginary visit of the Krogers to the New Zealand Legation in Paris in 1954?[84] As to Costello's codename, elementary research reveals that such transparent codenames were not unknown to the Soviet security forces: the Hungarian Theodore Mally had one codename of HUNGARIAN, while Anthony Blunt was for a time known as TONY and Sutch's codename was MAORI.[85]

Mitrokhin's notes and Andrew's narrative eventually filled two large volumes, with many pages of end notes. As the latter says in the foreword to Volume 1, the book's 'end notes and bibliography provide full details of the additional sources used to place Mitrokhin's revelations

in historical context. These sources also provide overwhelming corroborative evidence for his genuineness as a source and the authenticity of his material.'[86]

McNeish's defensive tone of voice towards Costello is also evident where he seeks to show that Costello could not for various reasons have been a spy. 'Had Costello been recruited as an agent', McNeish claims, 'one might have expected him to benefit materially and his lifestyle to take a financial lift, or series of lifts. This did not happen.'[87] This overlooks the reality that some people became agents for reasons of conviction rather than cash – Costello's fellow Cambridge spies, for example.

More recent New Zealand commentary has, on the whole, followed McNeish's pattern of strong support for Costello and a reluctance to deal with opposing evidence. Most of this comment has appeared within the *New Zealand International Review*, notably the November/December 2017 issue entitled 'Paddy Costello'.[88] In it Ian McGibbon provides a summary of Costello's MI5 file and concludes that the final answer as to whether Costello was a Soviet agent will lie in the KGB archives, but concedes that the Mitrokhin archive 'does provide a hint of corroboration of MI5 concerns'.[89]

Rita Ricketts, having also seen the Costello MI5 file, adds a strong voice to those who argue for Costello's patriotism, but unfortunately hits some wrong notes.[90] Although her analysis of the file is based on a close reading of it, and she frequently quotes from it, it is clear that she is not persuaded that Costello was a spy. MI5 is often criticised for misidentifying Soviet intelligence agents and accused of tilting at windmills, and parts of the file are said to 'read something like a B movie script'.

When dealing with the episode in which evidence was found that Costello's wife, Bil, was applying for death certificates under an assumed name, Ricketts comments:

> 'But was it not all rather pat? Handwriting analysis would never stand up in court and KGB agents were known to be in the habit of obtaining the death certificates of children for their own nefarious purposes. Bil, who Russian intelligence services must have known was under British surveillance, was a perfect scapegoat and cover.'

The quoted reasons for the episode being 'rather pat' do not stand up. Handwriting analysis is admissible is in English courts and, even if it were not, this would seem to bear no relationship to whether the applications were submitted by Bil Costello or not; moreover, at that time neither she nor her husband was under surveillance.

In seeking to enlist Costello into the ranks of those who pushed for an independent New Zealand foreign policy, moreover, Ricketts refers to him acting in favour of the Czechs at the post-war Paris Peace Conference. Yet as we have noted above his stance here was far from being independent, reflecting as it did that of the Communist bloc, and indeed was so far out of line with New Zealand policy that McIntosh found it necessary later to reassure Costello that he and Prime Minister Fraser still supported him.[91] Ricketts concludes by putting Costello in a wider context, noting that he was: '… after all, just one character, causality, in an epic story of a small country seeking to define its own interests in a way that reflected its principles and values, rather than the inherited prejudices of others.'[92]

Finally, in a subsequent, 2018, article, also published in the *New Zealand International Review*, Ricketts effectively repeats the above case. Noting Costello as 'a concerned and formidable

scholar trying to awaken his compatriots to the danger of escalating East–West rivalry' while dismissing evidence indicating he was a Soviet asset as 'largely circumstantial'.[93]

Ken Ross' tone of voice with regard to Costello is different again, and distinctive from others', perhaps best summed up by his comment that 'Costello was too extraordinary, his brilliant mind was too swift to crawl at the pace skilful spies score their trophies. He had too much lust for a life full of scholarly and diplomatic action to have fitted in spying as well.'[94] This is certainly a novel defence. Ross has a similarly high opinion of McIntosh, noting 'we have not seen his like since'[95] and dubbing him 'a mandarin for all seasons'.[96] We will examine whether such extravagant praise for both characters matches up to the evidence.

Ross' articles on Costello and McIntosh overlap and may be regarded as a series, so it is reasonable to follow them from the beginning. In publishing his first piece in July-August 2017 about McIntosh's unsuccessful bid to become Commonwealth Secretary-General in 1965, Ross had evidently not seen Costello's MI5 file as many of his judgements about the supposedly favourable views of Sillitoe and White towards McIntosh are flatly contradicted by material quoted above that was taken from it.

In September-October 2017, Ross published another piece on McIntosh ('Alister McIntosh: a mandarin for all seasons'), which contains considerable material on Costello but, again, does not refer to his MI5 file. It does refer both to the King-McIntosh interviews and King's letter to Prime Minister Helen Clark in 2000, but curiously omits any reference to the adverse comments on Costello made by McIntosh in the interviews and mentioned in the King letter. This asserted that McIntosh had come to believe that both Costello and Sutch were working for the Soviet Union during their time as public servants and had provided evidence to back this belief up.[97]

Ross's next piece, published November-December 2017, dealt directly with Costello and does reference his MI5 file, which is said to have 'laid bare the cut-and-thrust between MI5 and Alister McIntosh … over Costello's security rating', but which is also noted as failing 'to nail Costello when a New Zealand diplomat'. This is to ignore crucial evidence 'laid bare' in the file. To repeat what is set out above, MI5 did 'nail' Costello when he was a New Zealand diplomat and followed this up by ensuring that classified information from the UK Embassy in Paris did not reach the New Zealand Legation. Yet Ross finds 'no evidence once Costello was in Paris that the British acted on the threat made in late 1950 to cut-off classified contact with the New Zealand Legation' and again omits to mention McIntosh's adverse comments later in his life about Costello.

Other assertions in this piece are equally problematic. Ross believes, but does not provide evidence in support this belief, that the source of a claim by Chapman Pincher that McIntosh was 'an active secret Communist' was the disaffected former New Zealand diplomat Reuel Lochore. It seems more likely that the source for this claim about Costello's 'New Zealand friend' was likely to have been Peter Wright, who told Pincher so much about MI5, rather than Lochore – who made no public comment about the issue after publication of the claim despite being (as Ross correctly puts it) a 'security zealot'. There is, finally, an account of the Mitrokhin material which is misleading in its incompleteness, covering only Costello's code name and the passports issue and omitting the most important point: Costello being noted as a top Soviet agent in Paris.

Ross' next two relevant pieces, in 2019, continue with the same theme and with much the same omissions, although in the first he both makes a new point about McIntosh and seeks to undermine the messenger, Michael King:

> 'King was then [in 1978] a green-horn and failed to appreciate what McIntosh was saying about Costello: King took it that McIntosh considered Costello as a Soviet agent – McIntosh did not. Researchers need to be careful in reading the transcripts of the 28 King/McIntosh 1978 interviews: King's then inexperience in the worlds of diplomats and spies had him not comprehending how, particularly in the 21 March interview, McIntosh's memory jumped about – his lapses surprise …'

King had been selected by McIntosh as his collaborator and was a scarcely a green-horn, having been a successful journalist for 10 years, a profession in which success partly depends on interviewing various people on a wide range of subjects. He was the author of six published volumes, including the widely acclaimed biography of Princess Te Puea, and as an experienced researcher would have been easily able to check if McIntosh's memory let him down. It was 20 years after the interviews, honouring a promise to McIntosh, before King began to pursue what McIntosh had told him about Costello and Sutch, but his memory remained clear: they were 'Russian spies'.

Ross' final piece contains certain references to Costello's MI5 file, including Sillitoe's observation that Costello's drunken night in Auckland in 1950 was of no consequence from a security point of view and that it 'validates what was already known of how McIntosh stood by Costello'. There is, in particular, a concession about the security implications of Costello's posting in Paris: the file revealed that 'MI5 pointed out that the British embassy in Paris had to make a considerable effort to trim their association with the New Zealand Legation.' But Ross does not alter his assessment of either McIntosh or Costello, and indeed refers to 'restraining influences at the top of MI5 and at the Foreign Office' which enabled McIntosh to prolong Costello's stay in External Affairs. What these might be is not elaborated on. The evidence in the file, on the contrary, shows firmly adverse perspectives on Costello. In its own words MI5 obtained not only 'what practically amounts to written proof that in December, 1960 Mrs Bella COSTELLO was a K.G.B. agent employed in an illegal support role' but also 'what amounts to proof that D.P. COSTELLO is also a K.G.B. agent'. The agency was 'quite sure that COSTELLO and his wife were acting in some way as agents of the Russian Intelligence Service'.

Conclusion

Where do the voices leave us? Are some of them siren songs, and if so which? While they cannot all be true, as some are out of tune with others, they may, logically, all be false. While in my own view it is no longer credible to write bluntly that Costello was not a Soviet spy, this article aims to present the various voices so that readers might decide for themselves.

Firstly, the voices from Soviet defectors. Recollections of spies or former employees of intelligence agencies are not always reliable and seldom complete. Blunt's confessions detailed his own very extensive spying activities, but identified few others as spies.[98] Wright has him identifying Costello and passed this on to Pincher, but does not name Costello in his own book. Golitsin was accurate with the names of KGB spies in the period soon after his defection, but was later given to exaggeration and perhaps delusion.[99] Both former spies, then, cannot perhaps be accepted without qualification. Mitrokhin is, however, a singer in a different

register, an employee of the KGB who took a particular interest in spies who worked outside embassies and who took extensive notes whose accuracy has been repeatedly confirmed. His is a strong and powerful voice, adding weight to those of Blunt and Golitsin.

Secondly, the voice of MI5 might reasonably be added to the choir, as its conclusions are based on the observed activities of Costello and his wife.

Finally, the New Zealand voices which are still rising to Costello's defence are faced with several internal problems, not the least of which is the defection to the anti-Costello choir of its leading voice, Alister McIntosh, the powerful figure who had protected and sponsored him over many years. It might be the original music score of the McIntosh Papers in the Alexander Turnbull Library in Wellington which will yield further evidence relevant to the issues discussed in this paper.

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[1] I am grateful to my friend and colleague Dr Aaron Fox for his comments on an earlier version of this article, and for anonymous refereeing comments.
[2] The file on Costello and his wife at the National Archives, London (TNAUK) is in four parts: KV2/4328-4331. This letter is on KV2/4329, serial 113a. In 2017 I forwarded to the Alexander Turnbull Library (ATL) copies of some 74 pages from these files which related to the question of Costello being a spy. They are available at MS-Papers-12306.
[3] Details are in Denis Lenihan, 'Paddy Costello: What the MI5 File Says'. Available at kiwispies.com (Lenihan, 2017A).
[4] Periodically I enquire about access. The NZSIS's latest response (dated 2 September 2019) is that 'Unfortunately other priorities and matters arising from the consultation process have delayed the release of the Costello material.'
[5] Richard Davenport-Hines, *Enemies Within: Communists, The Cambridge Spies and The Making of Modern Britain* (London: William Collins, 2018), pp.196-228.
[6] James McNeish, *The Sixth Man: The Extraordinary Life of Paddy Costello* (Auckland: Random House, 2007), p.379.
[7] The matter is discussed more fully in Lenihan, 2017A, section III.
[8] Michael King, *The Penguin History of New Zealand* (Auckland: Penguin, 2003), pp.425-429; Aaron Fox, 'The Price of Collective Security: State-sponsored Anti-communism in New Zealand during the Cold War.' Available at kiwispies.com.
[9] Lenihan, 'Paddy Costello: What the Papers Say', section VIII. Available at kiwispies.com (Lenihan, 2012). In his 2007 book Graeme Hunt notes that 'Costello even wrote Kroger's details in his passport' and, in an interview with the *Sunday Star Times*, that he had had the handwriting in Kroger's passport analysed. See Hunt, *Spies and Revolutionaries: A History of New Zealand Subversion* (Auckland: Reed, 2007), p.195; *Sunday Star Times*, 5 August 2007, p.A9.
[10] Further details are at Lenihan, 2012; the papers furnished to me at that time by the NZSIS are now in ATL, MS-Group-2105.
[11] *New Zealand Herald*, 29 August 1981, supplement, p.3.
[12] According to Nigel West (aka Rupert Allason), Costello was interviewed either by MI5 directly or through NZSIS and '… he denied any personal knowledge of the Krogers and, as no direct link between them could be proved, no action was taken against him'. Nigel West, *The Illegals: Double Lives of the Cold War's Most Secret Agents* (London: Hodder & Stoughton, 1993), p.168. West informed me that his source was Arthur Martin (who died in 1996), who in the early 1960s was head of MI5's D Branch, concerned with counter-espionage. (E-mails of 11 July and 24 September 2011).
[13] Chapman Pincher, *Their Trade is Treachery* (London: Sidgwick & Jackson, 1981), p.139. This meeting was later confirmed by Costello's MI5 file.
[14] The historian E.P. Thompson memorably described Pincher as 'a kind of official urinal in which, side by side, high officials of MI5 and MI6, Sea Lords, Permanent Under-Secretaries, nuclear scientists, Lord Wigg, and others, stand patiently leaking in the public interest.' See *Writing by Candlelight* (London: Merlin Press, 1980), p.116.
[15] Pincher, *Their Trade is Treachery*, p.139.
[16] Lenihan, 2012, section V.
[17] King Papers ATL-MS-Papers-2096-1.
[18] King Papers ATL, MS-Papers-8752-206.
[19] Christopher Andrew, *The Defence of the Realm: The Authorized History of MI5* (London: Penguin, 2009), p.503.
[20] TNAUK, KV2/4331, serial 270a. 'N.Z.S.S.' was the acronym for the New Zealand Security Service, the earlier title of the NZSIS.
[21] See note 56.
[22] John Costello, *Mask of Treachery* (London: Pam Books, 1989), pp.xiii-xv.
[23] Andrew and Vasili Mitrokhin, *The Mitrokhin Archive: The KGB in Europe and The West* (London: Alan Lane, 1999), pp.534, 600, 864 (footnote 73), 878 (footnote 1).
[24] King Papers ATL, MS-Papers-8970-225, letter of October [?] 1982 from Dan Davin to Michael King.
[25] Davin, *From Cairo to Cassino: A Memoir of Paddy Costello* (Lyttleton: Cold Hub Press, 2019), p.53.
[26] McNeish, pp.247-248.
[27] TNAUK, KV2/4330-1.
[28] In September 2019 TNAUK made public seven of the MI5 files on the Krogers (KV2/4484-4490; only 4487 has been digitised and may be seen free on-line). While they are clearly incomplete – the last papers are dated February 1961, only a month after the Krogers and their fellow spies were arrested, and some material has been omitted – they do enable us to solve one mystery. Kroger himself claimed to have been born in New Zealand and when applying for his passport produced a numbered New Zealand birth certificate. Inquiries by the MI5 man in Wellington at the time of their arrest in 1961 showed that records there had a birth certificate with the same number having been issued for 'one Carson who was apparently born in 1937', but for whom no further details were said to be available. A check on the New Zealand births, deaths and marriages database shows that there was only one Carson born in New Zealand in 1937 – a stillbirth (https://www.bdmhistoricalrecords.dia.govt.nz). From the KGB's point of view, this was almost a perfect identity, since the possibility of anyone genuinely applying for a birth certificate for a stillborn child was very remote. Clearly the KGB had altered the name and year on the certificate for Kroger.
[29] Pincher, *Treachery: Betrayals, Blunders and Cover-ups: Six Decades of Espionage* (Edinburgh: Mainstream Publishing, 2011), p.411.
[30] Andrew, p.503.
[31] The evidence that Hollis was a Soviet agent is examined at length in Pincher's *Their Trade is Treachery*, and I have argued that his protection of Costello provides further evidence: 'Dog Rose and Drat: How Roger Hollis protected Paddy Costello' kiwispies.com (Lenihan, 2017B).

[32] For further details, see Fox, '"A Formidable Responsibility": The Rise and Fall of the New Zealand Security Intelligence Bureau 1940-1945', *Security and Surveillance History Series*, 2018/1. Available at https://www.wgtn.ac.nz/__data/assets/pdf_file/0010/1675927/2018-1-A-Formidable-Responsibility-The-Rise-and-Fall-of-the-New-Zealand-Security-Intelligence-Bureau-1940-1945-Aaron-Fox,-2018.pdf
[33] TNAUK, KV4/471.
[34] On his death in 2007 Lissienko merited an obituary in the *Dominion Post*. See https://www.pressreader.com/new-zealand/the-dominion-post/20070809/282003258029857.
[35] TNAUK, KV4/473.
[36] Ibid, KV4/473.
[37] Ibid, KV2/4329, serial 112a, letter of 6 February 1952.
[38] Lenihan, 2017A, section IX.
[39] TNAUK, KV2/4331, serial 271a, letter of 21 June 1963 from SLO NZ.
[40] ATL, MS-Papers-6759-260, McIntosh papers, McIntosh's letter to Costello, 22 March 1945; Hunt reproduces a copy at p.185.
[41] King Papers ATL, 77-107-12, King papers, interview of 21 March 1978.
[42] Lenihan, 2012, section III.
[43] Ibid, section VI.
[44] TNAUK, KV2/4328, serial 80a.
[45] King papers, ATL, 77-107-12.
[46] While Nalder's notes are redacted, including who had undertaken the inquiries, in context it could not have been any other organisation but MI5.
[47] This material is on Costello's Special Branch file which was provided to me in 2012 by the NZSIS – as it had been earlier to McNeish (p.367). It is now in ATL, MS-Group-2105.
[48] The MI5 files on William Sutch – KV2/3929 and KV2/3930 – were released to the National Archives UK in 2014. They show that in 1948 a report from the UK Embassy in Washington was sent to New Zealand. It alleged that Sutch was associating with 'active pro-Communists' and McIntosh was asked by Prime Minister Fraser to investigate. He found the allegations 'groundless'.
[49] McIntosh to Hollis, 4 December 1950, TNAUK, KV2/4328, serial 87A.
[50] Ibid, KV2/4329, serial 112a.
[51] Ibid, serial 113a.
[52] Ibid, minute 118a.
[53] Liddell's Diary, entries for 15 and 18 December 1952. TNAUK, KV4/474.
[54] McNeish, pp.243-244.
[55] TNAUK, KV2/4329, serial 147a.
[56] Ibid, KV2/4329, serial 142a. Douglas Zohrab (1917-2008) was a New Zealand diplomat, recruited by McIntosh and stationed in Moscow and later Paris at the same time as Costello. Costello's MI5 file records, at serial 272a that in 1963 (after Costello's first meeting in London with the KGB officer), Brigadier Gilbert suggested that 'in view of ZOHRAB's unsatisfactory security record and of his close relationship with Costello' that he be placed under surveillance 'for a period covering COSTELLO's arrest or interrogation'. Zohrab was at that time the New Zealand Consul General and Permanent Representative to the United Nations in Geneva. Whatever doubts the Security Service had about Zohrab did not prevent him from continuing his diplomatic career as High Commissioner in Malaysia (1967-69) and Ambassador to Germany (1969-74). It may or may not be relevant to note that he retired in 1974 at the relatively young age of 57. http://www.stuff.co.nz/dominion-post/news/obituaries/505611/Balfour-Douglas-Zohrab.
[57] TNAUK, KV2/4329, serial 143a.
[58] Ibid, serial 146a.
[59] Ibid, KV2/3470, one of the MI5 Petrov files; letter from MI5 to Security Liaison Officer Australia dated 6 July 1956.
[60] Ibid, KV2/3468.
[61] King Papers ATL, MS-Papers-8752-204; he also enclosed 'sample copies' of documents which he had clearly got from McIntosh. On 22 October 2019 the NZSIS, at my request, supplied me with copies of the four documents: the Dominions Office letter of 25 October 1944 concerning Costello sent to the UK High Commissioner in Wellington; the MI5 report on Costello enclosed; the undated reply from the High Commissioner to the Dominions Office; and Costello's letter to McIntosh of 29 April 1945.
[62] David Horner, *The Spycatchers: The Official History of ASIO, 1949-1963*, Vol.1 (Sydney: Allen & Unwin, 2015), pp.53-99.
[63] McNeish, p.261. My attempts some years ago to source this assertion in the US National Archives and Records Administration proved fruitless. New Zealand collections – most specifically the 481 folders, occupying 7.80 linear metres, comprising the McIntosh papers in the Alexander Turnbull Library (MS-Group-1120) – may hold the answer.
[64] McNeish, p.263.
[65] See for example the *Evening Post* article, 'Security Officer to Inquire – Has Petrov Named Residents of NZ?' which quotes the Prime Minister as saying that 'New Zealand is in touch with the Australian Government on possible developments in the Petrov affair which might affect this country'. *Evening Post*, 21 April 1954, p.20.
[66] TNAUK, KV2/3443, another of the MI5 Petrov files.
[67] A.C. Wilson, *New Zealand and the Soviet Union, 1950-1991: A Brittle Relationship* (Wellington: Victoria University Press, 2004), p.30; quoted in Miriam L. Wharton, 'The Development of Security Intelligence in New Zealand, 1945-1957' (Master of Defence Studies, Massey University, 2012). Available at https://mro.massey.ac.nz/handle/10179/4251.
[68] See Hunt, pp.233-6. The NZSS double agent involved in uncovering them, Kay Marshall, later went to Australia where she worked for ASIO; see Horner, pp.542-57.

[69] *The Guardian*, 14 July 1962, p.7. By the sound of their interests – underwater warfare research, SEATO exercises and nuclear tests in the Pacific – the agents may have been GRU rather than KGB.
[70] Interview with Robert Marsden Hope, Session 3, 01:00:26. Available at www.nla.gov.au/amad/nla.oh-vn1791129.
[71] Geoffrey R. Weller, 'Change and Development in the New Zealand Security and Intelligence Services', *Conflict Quarterly*, 21, 1 (2001). Available at https://journals.lib.unb.ca/index.php/JCS/article/view/4290/4882.
[72] *Dominion*, 21 September 1999, p.8.
[73] C.H. Kit Bennetts, *Spy: A Former SIS Officer Unmasks New Zealand's Sensational Cold War Spy Affair* (Auckland: Random House, 2006), p.208.
[74] Hunt, p.168.
[75] Ken Ross, 'Diplomat, translator, academic …', *New Zealand Review of Books*, Vol.29, No.3 (Spring 2019), pp.9-10.
[76] McNeish, p.253.
[77] Pincher, *A Web of Deception: The Spycatcher Affair* (London: Sidgwick & Jackson, 1987). McNeish records that Pincher told him in 2005 that 'Everything I wrote about Costello came from Peter Wright': McNeish, p.387.
[78] McNeish, p.307.
[79] See, for example, Andrew, pp.337-338.
[80] McNeish, pp.364-365.
[81] Ibid, p.16.
[82] Ibid, p.241.
[83] Ibid, pp.364-365.
[84] See Lenihan, 2012, section VIII.
[85] For 'Hungarian', see Igor Damaskin with Geoffrey Elliott, *Kitty Harris, The Spy with Seventeen Names* (London: Empowering Press, 2002), p.139; for 'Tony' and other similar examples, see Andrew, p.351; for Sutch, the original reference is in the Mitrokhin Archive: MITN 1/7 Britain, Ireland, Australia, New Zealand [Box 33], Churchill Archives Centre, Churchill College, University of Cambridge; translation by Oksana Yurchshyn-Smith of Cambridge; there are further details at https://www.chu.cam.ac.uk/archives/collections/papers-vasiliy-mitrokhin-1922-2004/; a copy of the Australia/New Zealand material is at ATL, MS-Papers-12306.
[86] Andrew and Mitrokhin, p.xix.
[87] McNeish, p.376.
[88] One contributor, Ken Ross, has three articles on Costello (and two others on McIntosh which mention Costello: see endnotes 94 and 95): 'Paddy Costello: Alister McIntosh's "best" diplomat', *New Zealand International Review* (*NZIR*), Vol. 42, No. 6 (November/December 2017), pp.2-5; 'Scholarly mavericks at External Affairs', *NZIR* Vol.44, No.3 (May/June 2019), pp.19-22; 'Negotiating turbulent waters', *NZIR*, Vol.44, No.4 (July/August 2019), pp.19-22. The Ross article referred to in endnote 75 was also about Costello. I should note that, at the invitation of the editor of the *NZIR*, Ian McGibbon, I contributed a piece of my own on Costello to *NZIR*: 'Time for the Revisionists', *NZIR*, Vol.44, No.5 (September/October 2019), pp.18-21.
[89] McGibbon, 'Paddy Costello: The MI5 verdict', *NZIR*, Vol.42, No.6 (November/December 2017), p.10.
[90] Rita Ricketts, 'Paddy Costello: Esprit De Contradiction', *NZIR*, Vol.42, No.6 (November/December 2017), pp.6-9. Among a number of factual errors are the numbers of the file in the UK National Archives, which are KV2/4328-4331 (not KV1-4/4330), and the name of the UK Ambassador in Moscow who wrote a 1950 letter about Costello was Sir David Kelly (not Sir Roger Makins).
[91] Further details are at Lenihan, 2012, section VI.
[92] Ricketts, 'Paddy Costello: Esprit De Contradiction', p.9.
[93] Ricketts, 'An Enduring Cold War Enigma', *NZIR*, Vol.43, No.6 (December 2018), pp.13-17.
[94] Ross, 'Paddy Costello: Alister McIntosh's "best" diplomat', *NZIR*, pp.2-5.
[95] Ross, 'A very complicated business', *NZIR*, Vol.42, No.4 (July/August 2017), pp.8-11.
[96] Ross, 'Alister McIntosh: a mandarin for all seasons' *NZIR*, Vol.42, No.5 (September/October 2017), pp.15-18.
[97] Ross, however, criticises McNeish's biography of Costello for not making use of other McIntosh material in the Alexander Turnbull Library.
[98] Wright, pp.213-234.
[99] Andrew, pp.503-504. This section, and the chapter title ('Fluency: Paranoid Tendencies') reflect a common attribute of people who write about spies: a tendency to accuse those with whom they disagree of psychiatric disorders. Thus Golitsin had 'passionately paranoid tendencies' and the Security Liaison Officer in Washington thought him to be 'a psychopath'.