Prem 19/2504

PART 5

SECRET

MT

CONFIDENTIAL FILING

Security & the Secret Services

Chapman Pincher's book 'Their Trade is Treachery' and related papers including Sir Roger Hollis

The Peter Wright Case

The Joan Miller Book 'One Girls War'

SECURITY

PT 1: May 1979

PT 5: January 1987

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
8.1.87							
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~~29.1.87~~							
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12.3.87							
PART ENDS							

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PREM 19/2504

PART 5 ends:-

NLW TO RTA 12.3.87

PART 6 begins:-

C. MALLABY TO M. MACLEAN 13.3.87

NLW 26

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

MOLEHUNT: ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

I wrote to you earlier this morning with a draft Parliamentary Question and Answer concerning allegations against Mr. Graham Mitchell. The Prime Minister has discussed the Answer further with you this morning as a result of which a change has been made to the second paragraph of the draft Answer. The Answer should now read as follows:

> "The possibility that Mr. Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, might have been a Russian agent was thoroughly and objectively investigated over a number of years, and (as in the case of Sir Roger Hollis) the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr. Mitchell was informed of this conclusion. I am advised that there is no reason to alter or modify that conclusion in either case.
>
> The conduct of those who publish allegations of this kind about public servants who cannot defend themselves is to be deplored, as is the damage done by such accusations to the Security Service, on whose skill, efficiency and loyalty we rely, and can rely with confidence, for the defence of our freedom."

Please could you let me know whether you have any comments on this revised draft.

I am copying this minute to the Private Secretaries to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary, the Attorney General, the Lord Privy Seal, the Chancellor of the Duchy and the Chief Whip.

N.L.W.

N.L. WICKS

12 March 1987

25A

SECRET

MR. INGHAM

cc Mr. Mallaby

MOLEHUNT: ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

There is very little that Press Office can say in answer to questions about tomorrow's answer, the final draft of which I hope to send you shortly.

Answers to possible questions:

Why did the Prime Minister decide to make this statement?

Mr. Mitchell held a very senior position as Deputy Director General. It was therefore important that each allegation should be dealt with, as had happened in the case of Sir Roger Hollis.

Does the Prime Minister intend to make further such statements?

I am not aware that any other statement is under consideration.

Is not it unprecedented for a Prime Minister to attack one of her Party's prospective candidates in this way?

It is not for me to comment on matters to do with candidates.

I suggest you answer other questions on a "I have nothing to add" basis.

I attach some general briefing on Molehunt which you have already seen.

N.L.W.

(N.L. WICKS)

12 March 1987

PRIME MINISTER'S QUESTIONS: 12 MARCH

Nigel West's Book, "Molehunt"

General

West submitted his manuscript to officials and agreed, following discussion, to remove material which the Government considered could have damaged national security or was clearly derived from a breach of confidence by a present or former public servant.

The Government made absolutely clear to West that it neither authorised publication of the book nor gave any kind of approval. Publication of books of this sort is most regrettable. So are allegations which are directed against people who have died and so cannot defend themselves and which must cause great distress to the families concerned.

[If necessary]
Apparently because of a subsequent misunderstanding not involving the Government, several specific matters which West had agreed to delete appeared in the instalment of the book in the Daily Express on 2 March. The Daily Express undertook that subsequent instalments would not include material deleted from the book, and they did not.

Will the Prime Minister comment on West's allegation that Graham Mitchell was a Russian spy?

I am considering what could be said on that allegation.

Any Government assistance in the book's preparation?

In preparing the book, West received no information from anyone in the service of the Crown.*

*(For background). West obtained permission from HMSO to reproduce the 1955 White Paper on Burgess and Maclean and - as he indicates in his Acknowledgements - received routine guidance, such as is available to any author or publisher, from the Secretary of the D Notice Committee.

Why no injunction against publication?

Since West submitted the manuscript and accepted deletions, there were no legal steps the Government could take to prevent publication of the book.

This is not a case of an author who is a former public servant.

Investigation of West

The Attorney General announced on 20 November 1986 that the Director of Public Prosecutions had asked the Metropolitan Police to investigate the reported statement by West that he possessed various Security Service documents. That investigation continues. I repeat however that all material which the Government considered could have damaged national security, or was clearly derived from a breach of confidence, has been removed from this book.

File HS

PRESS OFFICE

The attached draft written reply is being considered by the Prime Minister overnight. The Question had already gone down, albeit in a small amended form, and reads as follows:-

> "Mr William Benyon: To ask the Prime Minister if she will make a statement on recent allegations concerning Mr Graham Mitchell in relation to the security of the U.K."

The Question will probably be answered at around 2.30 p.m. It should not of course be made use of in any way until the reply goes down.

Mark Addison

12 March 1987

ANNEX A

DRAFT PARLIAMENTARY QUESTION AND ANSWER

Mr W Benyon: To ask the Prime Minister whether she is aware of the allegation that Mr Graham Mitchell was a Russian agent; and whether she will make a statement.

DRAFT WRITTEN ANSWER

The possibility that Mr Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, might have been a Russian agent was thoroughly and objectively investigated over a number of years and, as in the case of Sir Roger Hollis, the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr Mitchell was informed of this conclusion. I am advised that there is no reason to alter or modify that conclusion in either case.

The publication of allegations of this kind about public servants who cannot defend themselves is to be deplored, as is the damage done by such accusations to the effectiveness and reputation of the Security Service, on whose skill, efficiency and loyalty we rely, and can rely with confidence, for the defence of our freedom.

SECRETT

WRIGHT

PTS

12 MAR 1987

Mr Wicks

Ref. A087/717

MR MACLEAN

Peter Wright Case: Briefing for Backbenchers

I agree with Mr Mallaby (his note ~~of 12~~ WITH NEW? March) that it would be better that Mr Ivan Lawrence should not produce a copy of Mr Wright's declaration under the Official Secrets Act, since that is part of our evidence in the proceedings in Sydney.

2. I am content with the alternative way of proceeding suggested by Mr Mallaby in his paragraph 3, subject only to one point: in paragraph 3(iii) it would be better to delete the words "in the United Kingdom or abroad". I understand that those words are included in the declaration, but (as we have found in the case of Peter Wright) it is not possible to bring proceedings under the Official Secrets Act abroad, and offences under the Official Secrets Act are not extraditable.

3. I can see no objection to this alternative way of proceeding. The OSA declaration which people sign on retirement is unclassified and is of course signed by thousands of people every year.

4. On a separate point, the Home Secretary wondered whether the material in the briefing gave sufficient ammunition for people to deal with the suggestion that I had lied or misled --- the Court when I gave evidence in Sydney. The attached article from a recent edition of the Daily Mirror may be of some help in that respect, and indeed in others.

5. I am sending copies of this minute to Mr Wicks, and to the other recipients of copies of Mr Mallaby's minute.

RA

ROBERT ARMSTRONG

12 March 1987

ON FRIDAY

Home truths from abroad

MR JUSTICE PHILIP POWELL of the New South Wales Supreme Court will shortly deliver his judgment on the British Government's case against the right-wing, Russian-hating, conspiracy-obsessed ex-MI5 agent, Peter Wright. He has already written 150 pages of it.

If it is as prejudiced as his interruptions during the hearing, the British Government will appeal. Every Australian lawyer expects the Court of Appeal will rubbish Mr Powell. New conspiracy theories will then be born. Mr Powell will become a hero instead of a clown and Mr Wright a shining saint.

Before that happens, before Powell and Wright and Wright's lawyer, Malcolm Turnbull, are canonised, I'd like to offer a few home truths.

Mr Turnbull is a clever lawyer who sees a great success over the British Government as a stepping stone in his ambition to become Australia's Prime Minister.

Book

He got a good press because he briefed British "investigative" journalists and others each day after the court hearing had ended.

Mr Wright wrote his book Spycatcher, the one the case is all about, because he needed the money. He has a deep grudge against the Government because he believes his previous service working for the Royal Navy qualified him for a higher pension.

MI5 took a risk when it employed him. The Navy's report on him was not wholly favourable. A senior MI5 man noted at the time: "We can't say we haven't been warned."

SIR ROBERT
Went to be pilloried

It's a pity the warning wasn't heeded.

Once in the secret service, he fell under the influence of the CIA's then head of the bureau in London, James Angleton, another agent who thought all Russians were "evil."

Wright's greatest obsession is about the late Sir Roger Hollis, former director-general of MI5, who he says was a Russian spy.

In fact, Hollis was almost certainly innocent of the charges made against him by Wright and the author, Chapman Pincher, who got most of his information from Wright. Soviet defectors have told their interrogators that the Kremlin was astonished by the "scandal."

Much of Wright's book is inaccurate. The British Government admitted it was all true only because they didn't wish to point out which sections weren't.

'Turnbull wants to be Prime Minister'

Truth

The man who, so far, has come worst out of the case is Sir Robert Armstrong, the Cabinet Secretary, who was made to appear—especially by Turnbull and his British press friends and by Mr Justice Powell—as a sly, devious and lying British civil servant.

I have known Armstrong for more than 12 years. I worked closely with him for over a year. He is none of those things.

His remark about being "economical with the truth" echoed round the world. The fact that he was quoting Edmund Burke, as every politician and historian does at one time or another, wasn't mentioned.

He once said to me that his first duty was to protect the office of Prime Minister (the position, not any particular individual). Now his job is to protect the interests of whatever British Government is in power.

Armstrong went to be pilloried in Australia simply because there was no one else who knew as much.

Conned

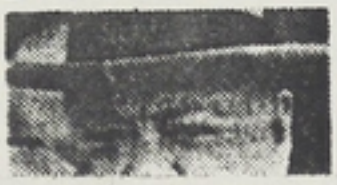
He did not go to persecute Wright or to suppress his book but to stop anyone following in Wright's greedy footsteps.

The Wrights, Turnbulls and Judge Powells of this world don't understand that. Nor do those in the so-called "quality" press and television who have been conned by them.

A DATE WITH DISASTER

A GROUP of Tory MPs wants a new Bank Holiday in celebration of Winston Churchill. They suggest May 10, the day on which Churchill became Prime Minister in 1940.

Which is why they didn't suggest that day in November, 1910, when the then Home Secretary ordered the forcible suppression of a strike of miners in Tonypandy. Or, that day in February, 1915, when British and Empire



PETER WRIGHT JUDGMENT : PRESS STATEMENT

The Judge in the Peter Wright case in the Supreme Court of New South Wales has delivered judgment. This is a case in which the British Government is seeking an order to restrain publication by Heinmann of Australia and Peter Wright of a manuscript by Wright. He is a former member of the Security Service, the manuscript is about his employment in the Service, and in the Government's view he owes a lifelong duty of confidentiality to the Crown.

2. The judgment will now be studied carefully by the British Government. The Government will consider an appeal to the New South Wales Court of Appeal. An early announcement will be made on this.

3. Although the defendants have been released from their undertaking not to publish the manuscript, Mr Justice Powell suspended this order for 28 days pending an appeal.

11.30 pm
12 March 1987

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pa

Ref. A087/712

MR WICKS

Molehunt: Allegations against Mr Graham Mitchell

Thank you for your two minutes of 12 March about the draft Parliamentary Question and Answer concerning allegations against Mr Graham Mitchell.

2. The draft Answer in your second minute is not quite as I thought we had agreed: I thought that the second paragraph was to begin: "The publication of allegations of this kind ...". If the Prime Minister wanted to use words which referred more pointedly to those responsible for the allegations, the first half of the second paragraph could read: "The activities of those who publish allegations of this kind about public servants who cannot defend themselves are to be deplored ...". On reflection, I am not sure that "conduct" is quite the right word.

3. On another tiny point, given the last sentence of the first paragraph, I think it would be slightly better to put the words "as in the case of Sir Roger Hollis" between commas rather than between brackets.

--- 4. I attach a revised draft Parliamentary Question and Answer, amended accordingly.

SECAAW

5. I am sending copies of this minute and the revised draft to the Private Secretaries to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary, the Attorney General, the Lord Privy Seal, the Chancellor of the Duchy and the Chief Whip.

RTA

ROBERT ARMSTRONG

12 March 1987

SECAAW

B.0100

MR MACLEAN (Chief Whip's Office)

Peter Wright Case: Briefing for Backbenchers

The Chief Whip and you told me before Cabinet today that Mr Ivan Lawrence QC MP, one of the backbenchers whom the Chief Whip briefed yesterday, had suggested that he be given a copy of the declaration on the Official Secrets Act (OSA) signed by Wright on retirement. He would like to draw attention to it in any interviews with the media in order to reinforce the point that Wright owes a duty of confidentiality throughout life.

2. This idea has considerable attractions. One can imagine the waving of the piece of paper being very effective in a television interview. But there are pitfalls. The declaration about the continued validity of the OSA which Wright signed on retirement is part of our evidence in the proceedings in Sydney. The Government's public position is that it cannot comment on matters at issue in the case. The Government is unlikely to relax this position significantly after judgment is given tonight. If Mr Lawrence made use in public of the declaration signed by Wright, it would quickly be deduced by Opposition MPs that he had obtained a copy from the Government. The pressure for further comment by the Government would intensify.

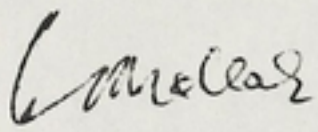
3. But I have obtained the agreement of the Law Officers' Department and the Treasury Solicitor's Department to the following way around the problem. The declaration on the OSA signed nowadays by retiring civil servants is the same as the one that Wright signed in 1976. Mr Lawrence could say that it is well known that retiring civil servants have long signed a declaration about the OSA and that Wright must have done so. He could say that in the declaration -

(i) the retiring civil servant declares that he understands that the OSA applies to him after retirement;

(ii) he declares that he understands that the OSA applies to all information acquired through his official position, except if already made public by the Government;

(iii) he declares that he understands that he is liable to prosecution in the United Kingdom or abroad if he communicates such information to any unauthorised person unless he has permission in writing from the Government.

4. I suggest that Nigel Wicks and Trevor Woolley, to whom I am sending copies of this minute, should let you have any comments on this suggestion by telephone as soon as possible. I am also sending copies to Bernard Sheldon (Box 500), Michael Saunders (Law Officers' Department), Jim Nursaw (Home Office) and David Hogg (Treasury Solicitor's Department).



C L G Mallaby

Cabinet Office
12 March 1987

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MR. INGHAM

cc Mr. Mallaby

MOLEHUNT: ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

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Answers to possible questions:

Why did the Prime Minister decide to make this statement?

Mr. Mitchell held a very senior position as Deputy Director General. It was therefore important that each allegation should be dealt with, as had happened in the case of Sir Roger Hollis.

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It is not for me to comment on matters to do with candidates.

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I attach some general briefing on Molehunt which you have already seen.

(N.L. WICKS)

12 March 1987

PRIME MINISTER'S QUESTIONS: 12 MARCH

Nigel West's Book, "Molehunt"

General

West submitted his manuscript to officials and agreed, following discussion, to remove material which the Government considered could have damaged national security or was clearly derived from a breach of confidence by a present or former public servant.

The Government made absolutely clear to West that it neither authorised publication of the book nor gave any kind of approval. Publication of books of this sort is most regrettable. So are allegations which are directed against people who have died and so cannot defend themselves and which must cause great distress to the families concerned.

[If necessary]
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I am considering what could be said on that allegation.

Any Government assistance in the book's preparation?

In preparing the book, West received no information from anyone in the service of the Crown.*

*(For background). West obtained permission from HMSO to reproduce the 1955 White Paper on Burgess and Maclean and - as he indicates in his Acknowledgements - received routine guidance, such as is available to any author or publisher, from the Secretary of the D Notice Committee.

Why no injunction against publication?

Since West submitted the manuscript and accepted deletions, there were no legal steps the Government could take to prevent publication of the book.

This is not a case of an author who is a former public servant.

Investigation of West

The Attorney General announced on 20 November 1986 that the Director of Public Prosecutions had asked the Metropolitan Police to investigate the reported statement by West that he possessed various Security Service documents. That investigation continues. I repeat however that all material which the Government considered could have damaged national security, or was clearly derived from a breach of confidence, has been removed from this book.

cc N. Wicks

pa.

NOTE FOR PRESS OFFICERS

I attach a briefing note prepared for the Wright case judgment late tonight, together with a speaking note.

If the issue goes to appeal, then obviously the Government will have to be circumspect about what it says. We shall not be putting up Ministers to comment either to the press or on radio and tv. But arrangements have been made for the following MPs to respond:

Geoffrey Rippon)
Mark Carlisle) all QCs
Ivan Lawrence)
Michael Mates (defence interest)
Cecil Parkinson (general political interest

Mr Perks has already informed BBC Newsnight of the availability of these MPs and I shall be telling PA, BBC, ITV and IRN later today in the following terms :

> in the event of an adverse judgment the Government will obviously be unable to comment, but it is conceivable that Backbenchers will not be so inhibited. You might therefore find it useful to get in touch with people like.....

It is important that we use the background, set out in the attached with care and discretion.

B Ingham
March 12, 1987.

hle (23) ECL

bc Mr Mallaby (CO).

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

MOLEHUNT: ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

I wrote to you earlier this morning with a draft Parliamentary Question and Answer concerning allegations against Mr. Graham Mitchell. The Prime Minister has discussed the Answer further with you this morning as a result of which a change has been made to the second paragraph of the draft Answer. The Answer should now read as follows:

> "The possibility that Mr. Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, might have been a Russian agent was thoroughly and objectively investigated over a number of years, and (as in the case of Sir Roger Hollis) the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr. Mitchell was informed of this conclusion. I am advised that there is no reason to alter or modify that conclusion in either case.
>
> The conduct of those who publish allegations of this kind about public servants who cannot defend themselves is to be deplored, as is the damage done by such accusations to the Security Service, on whose skill, efficiency and loyalty we rely, and can rely with confidence, for the defence of our freedom."

BF

Please could you let me know whether you have any comments on this revised draft.

I am copying this minute to the Private Secretaries to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary, the Attorney General, the Lord Privy Seal, the Chancellor of the Duchy and the Chief Whip.

N.L.W.

N.L. WICKS

12 March 1987

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10 DOWNING STREET

From the Principal Private Secretary 12 March 1987

The Lord Privy Seal will wish to be aware that the Prime Minister wants to make a statement to Parliament about the allegations, in Mr. Nigel West's book "Molehunt" that Mr. Graham Mitchell, former Deputy Director of the Security Service, was a Russian agent.

She proposes therefore to inspire a Written Question this afternoon which will be answered around 1430 tomorrow. The text of the draft Question and Answer is attached. We will be making arrangements to table a PQ. We hope that Mr. Benyon can be found to table it since he is the Member for the Constituency in which, we believe, Mr. Mitchell lived.

I am sending a copy of this letter to the Private Secretaries to the Chancellor of the Duchy of Lancaster and the Chief Whip.

(N. L. WICKS)

Steven Wood, Esq.,
Lord Privy Seal's Office.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

MOLEHUNT: ALLEGATION AGAINST MR. GRAHAM MITCHELL

I have shown the Prime Minister your minute of 11 March with further advice about a statement regarding Mr. Graham Mitchell.

The Prime Minister agrees that we should stick to the plan to give a Parliamentary Answer. She does not think it necessary for her to write to Mr. Mitchell's son if she makes a written statement to Parliament.

She is generally content with the Question and Answer at Annex A of your minute, subject to a few drafting amendments. The text which she has in mind is attached.

You will note that the Prime Minister has deleted the reference to deploring the conduct of those "who make money out of" publishing allegations. She deplores <u>any</u> publication of such allegations.

BF

I should be grateful if you could let me know that you are content with the revised draft attached.

On timing, we will endeavour to get Mr. Benyon to table a Question late this afternoon or this evening for answer tomorrow. We will plan to answer the Question around 1430.

No.10 Press Office will inevitably receive a good number of questions about the Written Answer. I assume that their standard reply is that there is nothing to be added to what is said in the Answer. Nevertheless I should be grateful if you could arrange for the Press Office here to have a Q & A brief on the main questions likely to be asked.

I am writing separately to draw the attention of the Lord Privy Seal, the Chancellor of the Duchy of Lancaster and the Chief Whip to the forthcoming Answer.

I am sending a copy of this minute to the Private Secretaries to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary and the Attorney General.

(N. L. WICKS)
12 March 1987

SECRET

SECRET

QUEEN ANNE'S GATE LONDON SW1H 9AT

11 March 1987

208

Dear Nigel,

MOLEHUNT

The Home Secretary has seen the minute Sir Robert Armstrong sent you yesterday covering a draft Question and Answer on Mr Mitchell, together with your response of today recording the Prime Minister's reaction.

The Home Secretary notes the Prime Minister's view on the need for brevity. He thinks, however, that substantially the same Answer ought to be given as Sir Robert Armstrong proposed yesterday. He has commented that he does not feel he put strongly enough at the Prime Minister's recent meeting the need to say something on the lines of the final paragraph of the Answer, not as a political point but for the sake of the morale of the Security Service. He believes that a separate letter to the family would not meet this point. He fears that an Answer confined to Mitchell, leaving out the sentence reaffirming the exoneration of Sir Roger Hollis, might be seized on by Chapman Pincher as an indication of support for his continuing theory that Hollis was a spy.

I attach to this letter a suggested Question and Answer which I think meets the main points in your letter and which would be acceptable to the Home Secretary.

Copies of this letter and its enclosure go to Joan MacNaughton (Lord President's Office), Tony Galsworthy (FCO), Michael Saunders (Law Officers' Department) and Trevor Woolley (Cabinet Office).

Yours,

Stephen

S W BOYS SMITH

Nigel Wicks, Esq.,

SECRET

DRAFT PARLIAMENTARY QUESTION

Mr W Benyon: To ask the Prime Minister whether she can confirm the allegation for which there has been recent publicity that Mr Graham Mitchell was a spy.

DRAFT WRITTEN ANSWER

I am advised that the possibility that Mr Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, might have been a spy was thoroughly and objectively investigated over a number of years, and the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr Mitchell was informed of this conclusion. I reaffirm it today. I also reaffirm the similar conclusion about Sir Roger Hollis which I reported to the House in my statement on 26 March 1981.

The Government deplores the conduct of those who make money out of publishing allegations of this kind about public servants who cannot defend themselves, [and would like to express appreciation of the dignity and patience with which the families of those concerned have endured these accusations.] We rely, and can rely with confidence, on the skill, efficiency and loyalty of the Security Service in the defence of our freedom.

Security. Secret Services PTS.

11 JUL PM 87

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PRIME MINISTER

MOLEHUNT: ALLEGATIONS AGAINST MR GRAHAM MITCHELL

Several questions arise from Sir Robert Armstrong's minute at Flag A.

1. Sir Robert advises that we stick to the plan to give a Parliamentary answer. The Home Secretary (at Flag B) agrees. Do you agree? Yes

2. I doubt whether a letter to Mr. Mitchell's son is necessary in addition to the Parliamentary answer, especially if the answer includes the sort of material in the second paragraph of the draft answer. Agree no letter? Yes

3. The revised Question is now, I think, in order; and if it is not, the Table Office can help make it so. Content with the draft Question and that, if we can find him, Mr. Benyon should table it? Do we use the word 'spy' - surely Russian agent is better?

4. Sir Robert and the Home Office provide alternative versions of a draft answer. Both are shorter than the version you saw last night. The first paragraph is the key one. Of the two versions, I prefer Sir Robert's first paragraph. It is, I think, proof against hostages to fortune. The first sentence is a statement of fact - about the investigation and its conclusion. The only matter on which your judgement is involved is the re-affirmation of the conclusion reached at the end of the investigation; and the words "I am advised that ....." protect your position. Agree the first paragraph of Sir Robert's draft answer? Yes - as slightly amended

Both Sir Robert and the Home Secretary are keen for you to include material along the lines of the second paragraph of the draft. The paragraph is not strictly necessary but the Home Secretary in particular feels something along these lines is important for the sake of the Security Services' morale. Of the two versions, I prefer the Home Secretary's second

paragraph, though I would omit the passage in square brackets about the families. You will recall that one family wrote to you after your Hollis statement and you could not exonerate their relative. The reference in square brackets might provoke a further request for exoneration. So, agree to include the second paragraph as in the Home Office version, excluding the passage in square brackets?

I like amended version of Robert's draft.

5. There is a draft of a letter to Mr. Graham Mitchell's son at Annex B of Sir Robert's minute. As I said earlier, I do not think a letter is strictly necessary. But do you want to send this letter, subject to my manuscript alteration?

No

6. I think we ought to show tomorrow the draft Question and answer to the Leader of the House and the Chief Whip (because they ought to know about important Parliamentary statements) and to the Chairman (because he ought to be aware of the implied criticism of Mr. Rupert Allason). Agree?

Yes mb

N.L.W.

N. L. WICKS
11 March 1987

DRAFT PARLIAMENTARY QUESTION AND ANSWER

Mr. W. Benyon: To ask the Prime Minister whether she is aware of the allegation that Mr. Graham Mitchell was a Russian agent; and whether she will make a statement.

The possibility that Mr. Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, might have been a Russian agent was thoroughly and objectively investigated over a number of years, and (as in the case of Sir Roger Hollis) the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr. Mitchell was informed of this conclusion. I am advised that there is no reason to alter or modify that conclusion in either case.

~~I deplore~~ The conduct of those who publish allegations of this kind about public servants who cannot defend themselves is to be deplored; ~~and~~ I ~~regret~~ regrets the damage done by such accusations to ~~the morale of~~ the Security Service, on whose skill, efficiency and loyalty we rely, and can rely with confidence, for the defence of our freedom.

EL3BVF

Ref. A087/690

20A

MR WICKS

Molehunt: Allegations Against Mr Graham Mitchell

Thank you for your minute of 11 March.

2. As to the way in which the points in the proposed draft Answer should be made, there is a question of balance. The Prime Minister made an oral statement in the House about Sir Roger Hollis. Mr Mitchell was hardly less significant, as being Sir Roger Hollis's deputy. If it was thought justifiable to clear Sir Roger Hollis's name in Parliament - also after his death - it is very nearly if not quite as justifiable to clear Mr Mitchell's name in Parliament. If we were to deal with Mr Mitchell in a different way from that in which we dealt with Sir Roger Hollis, we should invite speculation about why we were doing so.

3. We can clearly cut out of a Parliamentary Answer the whole of what was in paragraph 2 of Annex A to my minute of 10 March (A087/685). But the Security Service strongly believe that, if nothing at all is said about Sir Roger Hollis, Chapman Pincher will affect to infer from that that the Prime Minister is now doubtful about Hollis; and all that would start up again.

4. So I would suggest that we stick to the plan to give a Parliamentary Answer, which deals with Mitchell and Hollis.

5. We could put the material excised from the Answer into a letter which the Prime Minister might send to Mr Mitchell's son; the family would then be free to make whatever use of the letter they thought fit. Or else, if that was thought to be a slightly strange way in which to record the Government's confidence in

SECAAV

the Security Service, we could drop the idea of a letter, and incorporate a sentence about the Security Service in the draft Answer.

--- 6. I attach possible drafts of a Question and Answer and of a letter to Mr Mitchell's son accordingly. In the draft Answer I have suggested in square brackets a sentence about the Security Service, if the Prime Minister decides not to send a letter to the family.

7. I do not think that in this case it is necessary to insert the words "I am advised that" at the beginning of the Parliamentary Answer. As it stands, most of the Answer is a statement of fact. The only matter on which a judgment is involved is in the current reaffirmation of the conclusion reached at the end of the investigation: that could be introduced by "I am advised that". The reaffirmation is of course based on the fact that since 1970 no evidence has come to light which would tend to invalidate the conclusion reached at the end of the investigation, and on the defector evidence (to which we cannot refer) which confirms the conclusion.

8. I understand that Molehunt is now on the bookstalls. That strengthens the case for taking action this week, after the judgment in the Peter Wright case has been delivered. That would require the Question to be put down on Thursday 12 March and anwsered on Friday 13 March; the letter to Mr Mitchell's family could then be sent on Friday 13 March.

9. I am sending a copy of this minute and of the drafts to the Private Secretaries to the Lord President of the Council, the Foreign and Commonwealth Secretary, the Home Secretary and the Attorney General.

RTA

11 March 1987

ROBERT ARMSTRONG

SECAAV

ANNEX A

DRAFT PARLIAMENTARY QUESTION AND ANSWER

Mr W Benyon: To ask the Prime Minister whether she is aware of the allegation that Mr Graham Mitchell was a ~~spy~~ Russian agent; and whether she will make a statement.

DRAFT WRITTEN ANSWER

The possibility ~~of~~ that Mr Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, might have been a Russian ~~spy~~ agent was thoroughly and objectively investigated over a number of years, and (as in the case of Sir Roger Hollis) the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr Mitchell was informed of this conclusion. I am advised that there is no reason to alter or modify that conclusion in either case.

I deplore the conduct of those who ~~make money out of~~ publish~~ing~~ allegations of this kind about public servants who cannot defend themselves; ~~and~~ I regret the damage done by such accusations to ~~the effectiveness~~ morale ~~and reputation of~~ the Security Service, on whose skill, efficiency and loyalty we rely, and can rely with confidence, for the defence of our freedom.

I have deleted make money out of — because I deplore any publication of these allegations

SECAAT

ANNEX B

DRAFT LETTER FROM THE PRIME MINISTER TO CHARLES MITCHELL ESQ

You and your family must have been greatly distressed by the allegations for which there has been recent publicity that your father, Mr Graham Mitchell, was a Russian spy.

I wanted to let you know that I am answering a question in the House of Commons today, to say that the possibility that Mr Mitchell might have been a spy was thoroughly and objectively investigated over a number of years, and that the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Your father was informed of this conclusion. ~~and I am happy to reaffirm it.~~

and I am advised that there is no reason to alter or modify it?

May I say how greatly my colleagues and I deplore the conduct of those who make money out of publishing allegations of this kind about public servants who cannot defend themselves. I greatly admire the dignity and patience with which the families of those concerned have endured these accusations. I much regret also the damage which they do to the effectiveness of the Security

SECAAU

Service, on whose skill, efficiency and loyalty we rely, and rely with confidence, for the defence of our freedom.

BY FAX

GR

THE TREASURY SOLICITOR

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M.

Alastair J Brett Esq
Times Legal
Times Newspapers Limited
PO Box 481
Virginia Street
LONDON E1 9BD

Please quote
L85/2704/DAH
Your reference

Date
11 March 1987

Dear Mr Brett

Thank you for your letter (dated 3 March) faxed to me on 5 March.

I am grateful to you for informing me that the intended article or articles will not as such be about Mr Wright's book but more about the trial. I note your reference to Mr Turnbull's awareness as a practising solicitor of the restrictions imposed upon him. I of course accept that the Sunday Times is free to publish was was said in open court in Australia.

I should add that I am assuming from your letter that the intended article or articles will not contain material either from the closed court sessions or which derives from Mr Wright in breach of his duty of confidence owed to the Crown. Should my assumption be incorrect I would be grateful if you would inform me immediately.

Yours sincerely

David Hogg

D A HOGG

Copied to:-

N L Wicks Esq CBE
B Sheldon Esq CB
J Nursaw Esq CB
A Inglese Esq
B Dinwiddy Esq
C Battiscombe Esq
T Woolley Esq

12. III. AM 8 7

From: THE PRIVATE SECRETARY

CONFIDENTIAL

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

11 March 1987

Dear Michael,

NBPM

PETER WRIGHT CASE

The Home Secretary has seen the Attorney General's minute of 9 March and the letter of 10 March from Nigel Wicks recording the Prime Minister's views.

The Home Secretary is grateful for the Attorney General's advice on this matter. He agrees with the views recorded in Nigel Wicks' letter about the instructions which might be given to our Australian Counsel. More generally, the Home Secretary thinks that we need not actively seek to expedite the appeals, provided that we do not appear to be working for delay.

Copies of this letter go to the Private Secretaries to the other members of OD(DIS) and to Trevor Woolley and Christopher Mallaby in Cabinet Office.

Yours,

S W BOYS SMITH

Michael Saunders, Esq

11.III. PM 8

File

SECRET

bc C.Mallaby, CO.

19

JD3.AWF

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

MOLEHUNT: ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

The Prime Minister studied overnight your minute of 10 March which covered a draft Parliamentary Question and Answer about the allegations against Mr. Graham Mitchell, a former Deputy Director General of the Security Service.

2. The Prime Minister believes that more work needs to be done on the statement. In her view, the shorter it is, the better. She also wonders whether a better way of making the points in the draft Answer would be to write a letter to the Mitchell family which they could release to the Press.

3. The Prime Minister has at this stage two points on the draft text of the Question and Answer:

(i) The Question is doubtfully in order since it asks the Prime Minister, in effect, to confirm a rumour. Insert (1) on page 340 of the 20th Edition of Erskine May refers: this states that "Questions asking whether statements in the Press, or of private individuals, or unofficial bodies ..... are not in order."

The Question might be brought in order if it was on the following lines:

"To ask the Prime Minister whether she has seen allegations that Mr. Graham Mitchell was a spy; and whether she will make a statement",

though this would need checking with the experts.

(ii) The first sentence of the draft could, in the interests of brevity, be subsumed into the second sentence if the words in the second sentence "Mr. Mitchell" were replaced by "Mr. Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963".

4. You will also wish to consider, in the interests of brevity, whether the last two sentences of the first

paragraph and the last sentence of the second paragraph could be omitted. Indeed, if brevity is a key consideration, the whole of the second paragraph could be omitted. You will also wish to consider whether the words "I am advised that" should be inserted at the beginning of the existing second sentence in order that this statement would be on the same basis as the statement which the Prime Minister issued regarding Lord Rothschild.

5. I should be grateful if you could let the Prime Minister have further advice by close of play today.

6. Copies of this minute go to the Private Secretaries to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary and the Solicitor General.

N.L.W.

NLW

11 March, 1987.

RESTRICTED

JAZ Ame

DC 181.

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

c. LPO
FCO
HO
MoD
LOD

SIR ROBERT ARMSTRONG

THE PETER WRIGHT CASE: OD(DIS)(87)17

I have shown the Prime Minister your minute of 10 March which covers the draft statement for issue immediately after Mr. Justice Powell's judgement.

The Prime Minister is now content with the draft statement at Annex A.

I am sending copies of this minute to the Private Secretaries to members of OD(DIS) and to Sir Antony Duff and the Treasury Solicitor.

(N. L. WICKS)

11 March 1987

 (90) ECL

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE PETER WRIGHT CASE

I have shown the Prime Minister your minute of 10 March in which you seek approval for a draft briefing note, designed for showing to a few selected Government backbenchers who may be invited to comment on such programmes as "Newsnight" or "Any Questions" when the judgment comes out.

The Prime Minister is content with the terms of the draft briefing note, subject to the agreement of the Attorney General and other Ministers.

I am copying this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Home Secretary, the Attorney General, the Treasury Solicitor and Sir Antony Duff.

N.L. WICKS

11 March 1987

1

Prime Minister
Agree, subject to the agreement of other Ministers, especially the A.G?
N.L.W
10.3

Ref. A087/686

MR WICKS

Yes

The Peter Wright Case

I attach a draft briefing note, designed for showing to a few selected Government backbenchers who may be invited to comment on such programmes as "Newsnight" or "Any Questions" when the judgment comes out.

2. The draft has been seen and agreed with the Home Secretary and with the Security Service.

3. If the Prime Minister is content with this draft, it will be arranged for backbenchers to see it in the Whip's Office on Thursday 12 March, so as to be able to draw on it as soon as the judgment is known and provided the judgment is as expected. Since this may have to be done at very short notice and at an unsociable hour, I hope that the Prime Minister will agree that officials should have discretion to prepare an amended version if necessary in the light of the judgment.

4. I am sending copies of this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Home Secretary, and the Attorney General; and to the Treasury Solicitor and Sir Antony Duff.

RA

ROBERT ARMSTRONG

10 March 1986

SECAAR

THE PETER WRIGHT CASE

Background

1. Mr Wright was employed by the Security Service between 1955 and 1976. He owes a lifelong duty of confidentiality to the Crown.

2. Mr Justice Powell is expected to hand down judgment in the case in Sydney on 13 March (late on 12 March, British time). It seems prudent to expect him to rule that all or much of Mr Wright's manuscript may be published. If that happened, the Government would be likely to appeal. The Appeal Court of New South Wales would be unlikely to hear an appeal before May or June. Any subsequent appeal proceedings in the High Court of Australia might not be concluded before November.

3. The 'points to make' contain a sentence in square brackets which cannot be confirmed until judgment has been given. The whole brief will be reviewed on 13 March, and amended as necessary.

SECAAK

THE PETER WRIGHT CASE

Points to Make

1. Mr Justice Powell's judgment in the High Court of New South Wales will be carefully studied by the Government. This is only judgment at first instance. The Government may well appeal. [The judge has maintained, in the meantime, his interim order against publication of Mr Wright's manuscript.]

2. The Government has a strong case on the merits. Mr Wright - like all present and former members of the public service - owes a lifelong duty of confidentiality to the Crown. As a member of the Security Service he worked on very sensitive matters. Unauthorised publication of his manuscript would be a deliberate and extensive breach of confidentiality by a former public servant. The Government was bound to do everything in its power to prevent it from happening. That is why the Government sought an injunction in the Australian courts to prevent publication - only the Australian courts would have the power to enforce their orders on Mr Wright who now lives there. In the interests of national security, the Government is determined to uphold the principle of confidentiality and the obligations of staff, without which there could be no effective Security Service.

Points to Make - Defensive

Matters raised in the proceedings in Sydney and in the judgment

Pending the outcome of any appeal, it would be inappropriate to comment on the detailed issues in the case. The Government, like its predecessors, also does not normally comment on security matters. (If pressed: Ministers have made clear that when the case is over they will consider carefully, in the light

SECAAK

of the usual customs and conventions on security matters, any questions put to them.)

The Government had admitted that the contents of the book are true?

This was purely for the limited procedural purposes of the case, which is that Mr Wright must not publish without authority an account of his work in the Security Service and that it is unnecessary (and would be damaging to national security) to prove whether particular statements by him are true or false in establishing the case for an injunction.

Role of Sir Robert Armstrong; lied/misled Court?

Sir Robert is the Prime Minister's principal official adviser in relation to matters of security. He was the obvious choice as the principal witness to establish that Mr Wright had a duty of confidentiality to the Crown and that breach of that duty would do serious damage to the interests of the United Kingdom and Australia. This did not require detailed personal knowledge of the Government's handling of earlier publications and broadcasts, which were irrelevant in considering Mr Wright's duty of confidentiality to the Crown. (The defendants offered no evidence of their own that earlier publications and broadcasts had been officially "authorised".) Sir Robert did not lie to the Court. In the one instance in which he unwittingly misled it, as soon as he realised that he had done so he very properly put the record straight.

MI5 plot against Lord Wilson?

These stories relate to a period before the present Government took office. They were the subject of a statement issued by the then Prime Minister (Mr Callaghan), which read as follows:

'The Prime Minister has conducted detailed inquiries into the recent allegations about the Security Service and is satisfied that they do not constitute grounds for lack of confidence in the competence and impartiality of the Security Service or for instituting a special inquiry. In particular, the Prime Minister is satisfied that at no time has the Security Service, or any other British intelligence or security agency, either of its own accord or at someone else's request, undertaken electronic surveillance in No 10 Downing Street or in the Prime Minister's room in the House of Commons.'

This was subsequently confirmed by Lord Wilson.

Possible Prosecutions - of Chapman Pincher/former members of Security Service who provided information

These are for the Attorney General to decide.

Supervision and accountability of Security Service.

The tradition in this country, under governments of all political parties, has been that the security and intelligence services are accountable to Ministers, and that Parliament trusts Ministers to discharge this responsibility faithfully. Like its predecessors, the present Government does not think it would assist the effectiveness or efficiency of these services to have their operations subject to detailed surveillance either by Parliament or by an independent committee [eg of Privy Counsellors as Owen/Steel have proposed].

Why no Government action against Mr Nigel West's new book "Molehunt"?

Mr West is not a former public servant. He submitted his manuscript to officials and agreed, following discussion, to remove material which the Government considered could have

damaged national security or was clearly derived from a breach of confidence. There were no further steps the Government could take to prevent publication. But the Government neither authorised publication nor gave any kind of approval.

We need to do more work on the statement. The shorter the better. In view of the difficulty of the written question (and other similar questions it could attract) I am wondering whether the better way would be to write a letter to the Mitchell family which they could release to the press

18

PRIME MINISTER

MOLEHUNT: ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

Under cover of his minute below, Robert Armstrong provides a draft Question and Answer clearing Mr. Graham Mitchell. Some points on the draft:

Paragraph 1

1. The Question looks to be doubtfully in order since it asks for confirmation of a (newspaper) allegation. Something on the following lines might be in order:

   "To ask the Prime Minister whether she has seen allegations that Mr. Graham Mitchell was a spy; and whether she will make a statement".

   I will confirm with the Chief Whip that something on these lines would be in order.

2. The first sentence of the answer is not strictly necessary, but it does, I think, no harm. Leave it in? (If it is omitted, the words in the next sentence "Mr. Mitchell" would need to be replaced by "Mr. Graham Mitchell, Deputy Director General of the Security Service from 1957-63" and the word "Russian" inserted before "spy".)

3. I suggest that the words "I am advised that ..." should be inserted before the second sentence. This distances you a little and suggests that the events happened long before you had any Ministerial responsibility for these matters. Agree to include "I am advised that ..."?

4. The fourth sentence "I re-affirm it today" is again not strictly necessary. It lends your personal authority to the conclusion that Mitchell was not a spy. This is both an advantage and a disadvantage. It has the advantage of pleasing the Security Service (and Mr. Mitchell's family) making it clear that you are willing to stand up in their

support. But it carries a slight risk if any new evidence comes to light about Mr. Mitchell. Leave the sentence in?

5. I can see no harm in the last sentence about Sir Roger Hollis. Include it?

Paragraph 2

6. The first part of the first sentence of this paragraph is a well merited attack on West. Mr. Tebbit should be told about it because of its consequences for Torbay. Agree I should show it to Mr. Tebbit?

7. The Home Office wish to omit the last sentence. I agree with them. It is a bit too florid. Omit it?

If you agree I will minute Robert Armstrong with your comments so that the other Ministers concerned can be aware of them quickly. Their comments should be available tomorrow and I will put a further draft in your box tomorrow night. Meanwhile it would be useful to have your comments on the draft.

I think we should show the text to the Chancellor of the Duchy and the Chief Whip. I think, too, that the Lord Privy Seal, as Leader of the House, should know that it is coming. Agree these Ministers should see the draft?

Finally, on timing of the answer, I suggest that it should be answered at 1430 on Friday. We would need to ensure that this was after any opportunity which the press might have to question you in North Wales. Agree?

N.L.W.

NIGEL WICKS

10 March 1987

VC3AQO

CcB1 17A.

Ref. A087/685

MR WICKS

Molehunt

At the Prime Minister's meeting, which discussed the issues raised in my minute of 4 March (Ref. A087/614), the Prime Minister decided that there should be no statement about Mr Graham Mitchell before the judgment in the Peter Wright case in Australia. It was suggested that, if there were to be any statement about Mr Mitchell, it should be linked to the publication of Molehunt; and we were told that publication was expected to be on Thursday 12 March. We expect judgment to be delivered in the Peter Wright case on the morning of Friday 13 March (Sydney time); the judgment should therefore have been delivered by the very early hours of that morning (our time). Ministers were thus inclined to see a window of opportunity for a statement about Mr Mitchell on Friday 13 March. It was suggested that this should be in the form of a written answer to a Parliamentary Question; the Question would be put down, perhaps by Mr William Benyon MP (the Member of Parliament for the constituency in which Mr Mitchell lived in the last years of his life) and the answer would be made available shortly before the House rose on Friday 13 March.

2. The Prime Minister's meeting considered the draft statement attached as Annex A to my minute of 4 March. It was agreed that any statement should be considerably shorter than the draft. In particular, it was agreed to remove all references to Sir Roger Hollis (since they could be held to bear on the case in Sydney), and to dispense with the first three paragraphs of the draft, and with paragraphs 6 and 7 which referred to the new defector evidence (because that was discussed in camera in Sydney). It was also agreed that there should be no specific reference to

SECAAQ

Lord Trend in the written answer, and that the points in paragraph 8 of the draft should be made, but more succinctly.

3. I attach a draft written Question and Answer, taking account of the points made in discussion, as recorded in your letter of 9 March. The Security Service would like the Prime Minister, if she reaffirms the conclusions relating to Mr Mitchell, also to reaffirm the conclusions relating to Sir Roger Hollis; I have included a sentence accordingly at the end of the first paragraph of the draft answer. I have included at the end of the second paragraph a sentence "knocking" those responsible for the attacks on the Security Service; the Home Office would prefer to omit the sentence.

So would I; it goes over the top.

4. I am sending a copy of this minute and of the revised draft to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary and the Solicitor General.

RA

ROBERT ARMSTRONG

10 March 1987

SECAAQ

DRAFT PARLIAMENTARY QUESTION

This question is doubtfully in order. But we can get it right

Mr W Benyon: To ask the Prime Minister whether she can confirm the allegation for which there has been recent publicity that Mr Graham Mitchell was a spy.

DRAFT WRITTEN ANSWER

~~The allegation that Mr Graham Mitchell, Deputy Director General of the Security Service from 1957 to 1963, was a Russian spy is neither new nor true.~~

I am advised that The possibility that Mr Mitchell might have been a spy was thoroughly and objectively investigated over a number of years, and the conclusion reached at the end of that investigation was that he had not been an agent of the Russian Intelligence Services. Mr Mitchell was informed of this conclusion. I reaffirm it today. I also reaffirm the similar conclusion about Sir Roger Hollis which I reported to the House in my statement on 26 March 1981.

No harm in including this?

2 ~~3.~~ The Government deplores the conduct of those who make money out of publishing allegations of this kind about public servants who cannot defend

SECAAL

themselves, and would like to express appreciation of the dignity and patience with which the families of those concerned have endured these accusations. We rely, and can rely with confidence, on the skill, efficiency and loyalty of the Security Service in the defence of our freedom. [Only those who seek to undermine and destroy that freedom can derive any satisfaction from the damage done to the Service's effectiveness by the kind of scurrilous and irresponsible vilification of which we have seen so much in recent months.]

Omit?

10.III. PM187

File MJ

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE WRIGHT CASE: ATTENDANCE OF GOVERNMENT REPRESENTATIVES ON JUDGMENT DAY

I discussed with the Prime Minister this afternoon, on the basis of the arguments described in pargraphs 3-6 of your minute of today, the case for Mr Douglas Hogg (or anyone else from London) going to Australia so that they can attend the delivery of Mr Justice Powell's judgment.

The Prime Minister has said that if it is the judgment of the Law Officers, Mr Simos and yourself that there is no need for Mr Hogg (or anyone else) to attend the delivery of the judgment, so be it.

I will let you have as quickly as possible the Prime Minister's views on the other matters raised in your minute.

I am sending a copy of this minute to the Private Secretaries to members of OD(DIS), to Sir Antony Duff and Treasury Solicitor.

N.L.W.

N.L. Wicks
10 March 1987

OA

NBPM
Already dealt with
pa.

Ref. A087/687

MR WICKS

Peter Wright Case: Expedition of Appeal

Mr Simos will need instructions on this matter during tomorrow, Wednesday, our time. A decision will therefore be needed tomorrow morning on the Attorney General's minute of 9 March to the Home Secretary. That minute does not specify the "clear advantages in consenting to any application to expedite an appeal" (paragraph 3). I understand that they concern appearances: if we opposed expedition, we should look niggardly. But there is little to choose between consenting to an application or joining in one.

2. The Home Secretary is being advised that we should not oppose an application and that since our interest is for the temporary injunction on disclosure of information by Wright to last as long as possible, we should consent to an application rather than joining in one.

3. The Prime Minister will wish to consider the domestic political angle. The assessment of Mr Simos has been that we have a better than even chance of ultimately winning the case. If the appeal was expedited and was heard in May or June, a win would be a plus for the Government in British politics. If we lost at appeal in the same timescale, we would immediately seek leave to appeal to the High Court of Australia and the political effect in this country might well be slight. If we won in the High Court in, say, early October, that would be a plus in British politics. If we lost in the High Court in early October, and the book was immediately published, that could be quite a significant minus. But, as noted above, Mr Simos does not expect us to lose; and the timing is highly uncertain.

SECAAS

4. I suggest that calculations about the domestic political aspect are too uncertain to determine our decisions on expedition of appeal. There is an argument relating to the Wright case for not opposing expedition. As between supporting expedition or consenting to it, I suggest - subject to the Home Secretary's views - that the point at the end of paragraph 2 above should carry the day in favour of consenting.

RA

ROBERT ARMSTRONG

10 March 1987

SECAAS

10. III. PM 3

From the Secretary of the Cabinet

Mr Wicks

Peter Wright

This note recommends (after consultation with the Treasury Solicitor and with Mr Gimson) that Mr Hogg should not be sent out to Sydney.

If the Prime Minister were to take a different view, we should need to know by this evening, since Mr Hogg would have to catch a flight tomorrow morning to get there in time.

RTA 10. iii. 87

CONFIDENTIAL

DAS

file

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

10 March 1987

Dear Michael,

THE PETER WRIGHT CASE

The Prime Minister has seen the Attorney General's minute of 9 March to the Home Secretary about the instructions for our Australian Counsel regarding any application for any appeal in this case to be expedited.

The Prime Minister agrees that our Australian Counsel should be given instructions which would permit him to say:

(a) that the plaintiff undertakes to make a decision whether to appeal as soon as reasonably practicable; and

(b) that the plaintiff would prosecute any appeal which it decided to institute with all diligence with a view to having the appeal heard as soon as is reasonably practicable.

She does not believe that we can go any further without knowing the precise terms of the judgements.

I am sending a copy of this letter to the Private Secretaries to the other members of OD(DIS) and Sir Robert Armstrong.

Yours ever

Nigel Wicks

N. L. WICKS

Michael Saunders, Esq.
Law Officers' Department

CONFIDENTIAL

Prime Minister

Yes mr Content with the draft statement at Annex A? and to note the points in §s 9 and 10 below.

mr

N.L.W
10 J

Ref. A087/671

MR WICKS

The Peter Wright Case: OD(DIS)(87)17

Some of the Prime Minister's points recorded in your minute of 9 March were discussed at the Prime Minister's meeting on another matter yesterday evening.

2. The position on the points by paragraph is as follows.

Paragraph 3 of OD(DIS)(87)17

3. Arrangements have been finalised for Sir John Leahy to be present at the judgment and to make a brief statement to the press after it (and after any necessary quick consultation with Mr Simos and with London).

4. There are two sets of arguments for sending someone out from London for the judgment:

a. it will be an important moment in the case, and will seem strange if no one from London is there;

b. Mr Hogg could assist the solicitors with the arrangements for conveying the judgment to London, and could have a preliminary conference with Counsel and with the solicitors about whether to appeal and on what grounds.

I have discussed this with Mr Simos. He sees no need for Mr Hogg (or anyone else from London) to be there for the judgment. As senior Counsel he would not normally attend delivery of a reserved judgment (though he will do so on this

NO NEED TO READ.

SECAAO

occasion in view of the importance of the case). The proceedings in court are likely to be very short: the Judge will deliver orally only his principal findings for or against the plaintiff or at most a relatively brief summary of his judgment (which is now expected to run to 300 pages). Mr Simos is convinced that the Judge will find against the plaintiff. He takes it for granted that we shall appeal, and he will have clear instructions to give notice that we shall consider an appeal. He thinks that Mr Justice Powell will grant prolongation of the injunctions preventing publication of material from Wright's book and of the undertakings by Mr Greengrass and others to the Court; not to do so would in effect foreclose our right of appeal. If the Judge is so silly as not to grant prolongation, Mr Simos will go immediately to the Court of Appeal, who will (he is in no doubt) grant prolongation. For none of this is Mr Hogg's presence essential.

TO READ

5. It is unlikely that Mr Simos will be ready to discuss the implications of the judgment before Monday 16 March. Assuming that there is agreement that we should give, and assurance that we are giving, notice of appeal that day, discussion with Counsel of the precise grounds of appeal can wait until Mr Simos comes to London at the end of the week. In the meantime, Mr Hogg is likely to be able to make a greater contribution to the Government's deliberations if he is in London.

NO NEED ON

6. On balance, therefore, I recommend against sending Mr Hogg (or anyone else) out to Sydney to be present for the judgment.

7. Detailed arrangements for reporting the judgment, analysing it in London and reaching decisions on whether to appeal, and if so on the grounds for appeal, are being prepared by officials and will be circulated tomorrow.

Paragraph 4

--- 8. I attach a revised version of the draft press statement for issue in Sydney immediately after the judgment and early on Friday morning in London. It will of course need amendment in the unlikely event of Mr Justice Powell giving a wholly favourable judgment. To allow for the possibility of a mixed judgment, for instance one allowing publication of parts of the book but upholding Wright's duty of confidentiality, the second sentence of paragraph 2 is cast in terms which, while pointing clearly towards the possibility of an appeal, do not prejudge it too much.

Paragraph 5

9. Annex B to OD(DIS)(87)17 consisted purely of illustrative material, on which further comment after judgment might, subject to detailed consideration at the time, have been based. We shall be giving further preliminary consideration to this, in the light of suggestions made by Mr Simos on the telephone this morning (which I have recorded separately). When we have the judgment, officials will consider urgently whether there is any need to add to the attached press release, bearing in mind the Prime Minister's view that we should say nothing liable to increase the pressure in Parliament for further comment on the Wright case or on matters at issue in it.

Paragraph 7

10. The Government admitted before the start of the main hearing in Sydney that, for the purpose of the proceedings only, and not otherwise, the Australian court could treat the allegations made in Wright's book as being true. The purpose of this technical admission was to avoid discussion in the proceedings of whether all or any part of the book was true. The fact of our technical admission is public knowledge. But

SECAAO

there is no need for us to draw attention to it again. We can say, if we need to say anything on this aspect, that Wright's duty of confidentiality stands, irrespective of whether or not any allegations in his book may be true.

11. I am sending copies of this minute to the Private Secretaries of the members of OD(DIS) and to Sir Antony Duff and the Treasury Solicitor.

RTA

ROBERT ARMSTRONG

10 March 1987

cc B1

ANNEX A

PETER WRIGHT CASE

Draft Press Statement for issue immediately after Mr Justice Powell's Judgment

The Judge in the Peter Wright case in the Supreme Court of New South Wales has delivered judgment. This is a case in which the British Government is seeking an order to restrain publication by Heinemann of Australia and Peter Wright of a manuscript by Wright. He is a former member of the Security Service, the manuscript is about his employment in the Service, and in the Government's view he owes a lifelong duty of confidentiality to the Crown.

2. The judgment will now be studied carefully by the British Government. The Government will consider an appeal to the New South Wales Court of Appeal. An early announcement will be made on this.

3. [Mr Justice Powell has granted] [The New South Wales Court of Appeal has granted] [The British Government is immediately seeking] continuation pending an appeal of the injunction restraining disclosure of Mr Wright's manuscript or any information obtained by him in his capacity as a member of the British Security Service.

SECAAP

Mr Wicks

010

per

Prime Minister
to glance
through the
second page
NCW
10.3

CABINET OFFICE
70 Whitehall London SW1A 2AS
01-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service
Sir Robert Armstrong GCB CVO

Ref. A087/667

10 March 1987

MT

Dear Michael,

I spoke to Theo Simos QC on the telephone this morning, to ask him whether he would like David Hogg to come to Australia in order to be present for Mr Justice Powell's judgment in the Peter Wright case. I said that the High Commissioner would in any case be in court, and would be briefed to make a short statement to the press after the judgment. The question was whether it would be useful for Hogg to be there, to assist with the process of getting the judgment back to London and for the purpose of preliminary consultation with Simos on the judgment itself and on the reaction to be made to it. Simos said that he did not really see any need for Hogg to come to Australia. He was expecting a 300-page judgment from Mr Justice Powell. Mr Justice Powell might simply hand out the written judgment, with a very brief oral account of the main finding, for or against the plaintiff; or he might conceivably read out a short summary of the judgment, lasting perhaps half an hour. Simos said that Senior Counsel would not normally attend for the delivery of a reserved judgment, but that he judged this case sufficiently important for him to attend the delivery of the judgment in person. He expected that the judge would find against us. He thought that Mr Justice Powell would continue the interim injunction, since to do otherwise would in effect destroy our right to appeal. If he was so silly as not to do so, there would be an immediate appeal to the Court of Appeal, and Simos did not doubt that they would grant continuance of the injunction pending appeal. That would all be very straightforward, and he did not see it as likely to raise any issues which required Hogg's presence in Sydney.

/Theo Simos then

M L Saunders Esq
Law Officers' Department

Theo Simos then went on to give me an indication of what he thought the judgment might say, in the hope that this would enable us to give some preliminary thought before the judgment as to how we might react to it.

Simos thought that Mr Justice Powell's judgment would deal with the issues raised in the hearing, but not with the contents of the book. If he were to say anything about content, he would put it into a confidential judgment, in order not by his judgment to create the mischief of publication which the plaintiff was seeking to avoid. It was possible that the Judge would give a confidential judgment as well as an open judgment, and possible also that he might in a confidential judgment give his view as to what should or should not be published. Simos had no idea whether he would do so or not.

Simos thought that Mr Justice Powell might rule that publication of material by an outsider destroyed the grounds of confidentiality by which it was sought to bind the insider (Peter Wright). Such a ruling would of course go to the root of the distinction on which the plaintiff's case is based, between publication by an outsider and publication by an insider. If there were such a ruling, Simos said that he could see no harm in the Government, in any published comment, reasserting the principle of confidentiality as binding upon the insider even in respect of material previously published by an outsider.

Alternatively, Simos suggested, the Judge might accept the distinction between the outsider and the insider, and agree that prima facie he would restrain publication by the insider even where there had been publication by an outsider. But he could go on to say that that distinction between the outsider and the insider was not valid when publication by a third party could be seen to have received the express or implied authority of the plaintiff. Here he would be saying in effect that he accepted the defendants' contention that the publication of Chapman Pincher's book Their Trade is Treachery had the implied or tacit authority of the Government. We should of course contest that view on appeal.

Thirdly, Simos thought that Mr Justice Powell might seek to apply the rule that there was no principle of confidentiality to entitle the plaintiff to restrain publication of material which disclosed illegal or iniquitous actions. The plaintiff's argument in rejoinder to that was that disclosure to the Director of Public Prosecutions would be sufficient publication to ensure that such matters were properly considered, and that there was therefore no need or justification for general disclosure to the public at large. The Judge might seek to construct some argument to the effect that disclosure to the Director of Public Prosections was not sufficient for the purpose, and that therefore publication to the public at large was justified.

We should obviously be giving consideration to what (if anything) the Government should say, if any of Simos's predictions about the content of the judgment prove to be correct. We shall be arranging to discuss those matters in OD(DIS)(O) very shortly.

/I am sending

I am sending copies of this letter to Nigel Wicks, Joan MacNaughton, Tony Galsworthy and Stephen Boys Smith; and to Brian Cubbon, John Bailey, John Boyd and Patrick Walker.

Yours ever

Robert Armstrong

10 M RM 87

pa

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

mb

Prime Minister
Pearsons apparent lack of control over their subsidiary is worrying. But let us see what they say in reply to the T. Sol's letter.
N.L.W
10.3

9 March 1987

Dear Nigel,

THE PETER WRIGHT CASE

Following the conversation between the Lord President of the Council and Lord Blakenham of Pearsons plc, which was recorded in OD(DIS)(87)19, the Lord President had a further conversation with Lord Blakenham, after the latter had received the Treasury Solicitor's letter of 6 March.

Lord Blakenham said that Pearsons would see what could be done to meet the Government's concerns about possible publication of the Wright manuscript in the United States. Lord Blakenham gave the impression that he personally would help if he could. But he said that the head of Pearsons publishing operations in the United States had commented that, if the book was to be published anyway, it might be difficult for them not to publish it in the United States. Lord Blakenham indicated that the reply to the Treasury Solicitor's letter would arrive before the deadline of noon on Wednesday 11 March.

Lord Blakenham said that Viking had acquired the United States rights on the manuscript about two years ago.

The most likely interpretation of Lord Blakenham's remarks seems to be that Viking would publish Wright's manuscript in the United States if it became clear that the manuscript would anyway be published in some other country. If that is the correct interpretation, there may be hope that publication in the United States can be delayed so long as publication in Australia is restrained.

I am sending a copy of this letter to Tony Galsworthy (FCO), Stephen Boys-Smith (Home Office), Michael Saunders (Law Officers' Department), Sir Anthony Duff, Trevor Woolley and Christopher Mallaby (Cabinet Office).

Yours sincerely

Joan

JOAN MACNAUGHTON
Private Secretary

Nigel Wicks Esq
Principal Private Secretary to
the Prime Minister

PRIVATE AND CONFIDENTIAL

THE TREASURY SOLICITOR

Queen Anne's Chambers
28 Broadway London SW1H 9JS

Telephones Direct Line 01-210 3109
Switchboard 01-210 3000
Telex 917564 GTN 210
Fax No. 01-222 6006

Viscount Blakenham
Pearson PLC
Millbank Tower
LONDON
SW1P 4QZ

Please quote
L85/2704/DAH
Your reference

Date

6 March 1987

Dear Lord Blakenham

I act for the Attorney General in proceedings commenced by him in the Supreme Court of New South Wales Australia against Heinemann Publishers Australia PTY Limited and Peter Wright in which the Attorney General seeks to restrain publication of a manuscript written by Mr Wright a former Member of the Security Service.

It has come to my notice that the manuscript is apparently being offered for publication in the United States by Viking Penguin Inc., or Viking Press Inc., subsidiary companies of Pearson Inc., which is in turn a subsidiary of Pearson PLC UK. This was a possibility adverted to in the Observer of 4 January 1987 in the Pendennis Column by Peter Hillmore.

I draw to your attention the fact that the Attorney General obtained interim injunctions against "The Observer" and "The Guardian" and others last year restraining them from publishing any information derived from Mr Wright. A copy of the injunction against The Guardian is enclosed for ease of reference.

In these circumstances I should be grateful if you or your Company would let me have an assurance by 12 noon on Wednesday 11 March 1987 that neither your company, nor any of its subsidiaries, here or abroad, will breach the spirit of these injunctions referred to.

In addition I would ask you to let me have details of when and from whom Viking Penguin Inc. and Viking Press Inc. acquired the rights to the manuscript.

Yours sincerely

David Hogg

D A HOGG
(Assistant Treasury Solicitor)

10. III.

bc. Mr Wicks

CONFIDENTIAL

010

CABINET OFFICE

70 Whitehall London SW1A 2AS
01-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service
Sir Robert Armstrong GCB CVO

Ref. A087/659

HOME SECRETARY

The Peter Wright Case

Mr Justice Powell is expected to hand down judgment in the Peter Wright case on Friday 13 March. If his obiter dicta during the hearings are any guide, his judgment must be expected to be adverse from our point of view: it is very unlikely to be wholly favourable. There will be a strong risk that comment in the British media will be generally critical of the Government. It is therefore desirable to do all we can to inspire comment which sets the judgment in context and is favourable to the Government's position.

--- 2. I attach a draft briefing note, designed for showing to a few selected Government backbenchers who may be invited to comment on such programmes as Newsnight or Any Questions. The plan, agreed with the Chief Whip, is that the backbenchers should see it in the Whips' Office on Thursday 12 March in time to draw on it as soon as the judgment is known, and provided that the judgment is as expected.

3. The 'points to make' will need to be reviewed immediately after the judgment. I suggest that officials should have discretion to prepare an amended version, to take account of any particular points in the judgment.

4. This first version will need to be cleared with No 10 overnight on Tuesday 10 March; and I should therefore be grateful to receive any comments by 5.00 pm on Tuesday 10 March.

5. I am copying this minute to the Foreign and Commonwealth Secretary and the Attorney General and also (since there has not been time to clear the draft with them in advance) to the Treasury Solicitor and Sir Antony Duff.

Robert Armstrong

9 March 1987

SECAAJ

THE PETER WRIGHT CASE

Background

1. Mr Wright was employed by the Security Service between 1955 and 1976. He owes a lifelong duty of confidentiality to the Crown.

2. Mr Justice Powell is expected to hand down judgment in the case in Sydney on 13 March (late on 12 March, British time). It seems prudent to expect him to rule that all or much of Mr Wright's manuscript may be published. If that happened, the Government would be likely to appeal. The Appeal Court of New South Wales would be unlikely to hear an appeal before May or June. Any subsequent appeal proceedings in the High Court of Australia might not be concluded before November.

3. The 'points to make' contain a sentence in square brackets which cannot be confirmed until judgment has been given. The whole brief will be reviewed on 13 March, and amended as necessary.

THE PETER WRIGHT CASE

Points to Make

1. Mr Justice Powell's judgment in the High Court of New South Wales will be carefully studied by the Government. This is only judgment at first instance. The Government may well appeal. [The judge has maintained, in the meantime, his interim order against publication of Mr Wright's manuscript.]

2. The Government has a strong case. Mr Wright - like all present and former members of the public service - owes a lifelong duty of confidentiality to the Crown. Since he worked on very sensitive matters, that is particularly important in his case. Unauthorised publication of his manuscript would be a massive violation of that duty. Faced with the prospect of such a deliberate and extensive breach of confidentiality by a former public servant, the Government was bound to do everything in its power to prevent it from happening. That is why the Government sought an injunction in the Australian courts to prevent publication. In the interests of national security, the Government is determined to uphold the principle of confidentiality and the obligations of staff, without which there could be no effective Security Service.

Points to Make - Defensive

Matters raised in the proceedings in Sydney and in the judgment

Pending the outcome of any appeal, it would be inappropriate to comment on matters at issue in the case. The Government, like its predecessors, also does not normally comment on security matters. (If pressed: Ministers have made clear that when the case is over they will consider carefully, in the light of the usual customs and conventions on security matters, any questions put to them.)

SECAAK

The Government had admitted that the contents of the book are true?

This was purely for the limited procedural purposes of the case. Otherwise, the Government does not admit the truth of any of the allegations in the book relating to the activities or personnel of the Security Service.

Role of Sir Robert Armstrong; lied/misled Court?

Sir Robert is the Prime Minister's principal official adviser in relation to matters of security. He was the obvious choice as the principal witness to establish the Government's case. This did not require detailed personal knowledge of the Government's handling of earlier publications and broadcasts, which were irrelevant in considering Mr Wright's duty of confidentiality to the Crown. (The defendants offered no evidence of their own that earlier publications and broadcasts had been officially "authorised".) Sir Robert did not lie to the Court. In the one instance in which he unwittingly misled it, as soon as he realised that he had done so he very properly put the record straight.

MI5 plot against Lord Wilson?

These stories relate to a period before the present Government took office. They were the subject of a statement issued by the then Prime Minister (Mr Callaghan), which read as follows:

'The Prime Minister has conducted detailed inquiries into the recent allegations about the Security Service and is satisfied that they do not constitute grounds for lack of confidence in the competence and impartiality of the Security Service or for instituting a special inquiry. In particular, the Prime Minister is satisfied that at no time has the Security Service, or any other British intelligence or security agency, either of

its own accord or at someone else's request, undertaken electronic surveillance in No 10 Downing Street or in the Prime Minister's room in the House of Commons.'

This was subsequently confirmed by Lord Wilson.

Possible Prosecutions - of Chapman Pincher/former members of Security Service who provided information

These are for the Attorney General to decide.

Supervision and accountability of Security Service.

The tradition in this country, under governments of all political parties, has been that the security and intelligence services are accountable to Ministers, and that Parliament trust Ministers to discharge this responsibility faithfully. Like its predecessors, the present Government does not think it would assist the effectiveness or efficiency of these services to have their operations subject to detailed surveillance either by Parliament or by an independent committee [eg of Privy Counsellors as Owen/Steel have proposed].

Why no Government action against Mr Nigel West's new book "Molehunt"?

Mr West is not a former public servant. He submitted his manuscript to officials and agreed, following discussion, to remove material which the Government considered could have damaged national security or was clearly derived from a breach of confidence. There were no legal steps the Government could take to prevent publication. But the Government neither authorised publication nor gave any kind of approval.

BM87

Prime Minister
Agree we should consent to any application to expedite an appeal?

N.L.W.
9.3

HOME SECRETARY

Yes - On the terms in a) & b). We can't go further without knowing the judgement and

PETER WRIGHT CASE

You will have seen that our instructions are being sought by our Australian Counsel as to what our response should be to any application which the defendants may make to the Court for any appeal in the case to be expedited. Counsel's advice is that we should either consent to or join in the application.

As regards the timetable for an expedited appeal, my understanding is that it would come on before the New South Wales Court of Appeal in May or June. Were any further appeal to the High Court of Australia to be expedited it could come on in October or possibly even sooner. If the appeal to the New South Wales Court of Appeal were not expedited, it would come on some time after May or June and one could not rule out its being as late as October.

I have indicated before that I see much advantage, both tactical and presentational, in informing Mr Justice Powell that we will take a decision on an appeal well within the prescribed time limits. It seems to me that, from the point of view of running the litigation, there are also clear advantages in consenting to any application to expedite an appeal. I would suggest therefore that Simos be given instructions which would permit him to say :

(a) that the plaintiff undertakes to make a decision whether to appeal as soon as reasonably practicable; and

(b) that the plaintiff would prosecute any appeal which it decided to institute with all diligence with a view to having the appeal heard as soon as is reasonably practicable.

It is of course for others to assess whether there are any political considerations militating against consenting to an expedited appeal. As I have said, however, I am firmly of the view that it would considerably assist our stance in the litigation to adopt a positive attitude.

I am copying this to the other Members of OD(DIS) and Sir Robert Armstrong.

MH

9 March 1987

III 60

SRWAS1

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE PETER WRIGHT CASE: OD(DIS)(87)18

Further to my minute of today, I now write to record that there was further discussion at the Prime Minister's meeting on "Molehunt" of the statement in Annex A of this paper for issue immediately after Mr. Justice Powell's judgment.

It was suggested that it should be made clear in paragraph 1 of the text that the British Government was seeking an order to restrain publication by Mr. Peter Wright as well as by Heinemann of Australia. Paragraph 2 of the text should be amended to omit the words "in London" in the second line and the reference to "its legal advice" in the third line. Paragraph 3 should be checked to confirm that the injunction restrained only the publication of Mr. Wright's manuscript and did not prohibit him from publishing or otherwise promulgating relevant information in other ways.

It was suggested that the material in Annex B for possible further public comment should be reduced so that it simply made two broad points. The first was the importance of sticking to the principle of confidentiality necessary for the effective functioning of the Security Service and that this point held true whether Wright's allegations were true or false.

I am sending a copy of this minute to the Private Secretaries of OD(DIS) and Mr. Mallaby.

(N. L. WICKS)
9 March 1987

BF 2nd page

17.

File SRW

SECRET

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

9 March 1987

Dear Stephen,

"MOLEHUNT": ALLEGATIONS AGAINST MR. GRAHAM MITCHELL

The Prime Minister held a meeting this afternoon to discuss the matters raised in Sir Robert Armstrong's minute of 4 March about allegations in Nigel West's book "Molehunt" that Mr. Graham Mitchell, formerly Deputy Director General of the Security Service, had been a Russian spy. The Lord President, Home Secretary, Solicitor General, Sir Robert Armstrong, Sir Brian Cubbon, Mr. Mallaby of the Cabinet Office, and Mr. Walker and Mr. Waugh of the Security Service were present.

The following were the main points raised in discussion:

(i) the Security Service representatives explained the evolution of the Security Service's conclusions on Mr. Mitchell from the first report in July 1963 concluding that he was very probably a Russian spy to his interview with his Director General when he had been informed of the Service's conclusion that he had not been a spy.

(ii) Some unease was expressed about any statement by the Prime Minister. There was no way of telling how such a statement might be widened into other matters. It would give added publicity to West's book. There was a risk that if the Government rebutted allegations that people were not spies, obvious conclusions would be drawn when the Government declined to make such statements. On the other hand, there would be obvious asymmetry if the Deputy Director General, Mr. Mitchell, was not given clearance in the same way as the Director General, Sir Roger Hollis.

(iii) If a statement was made before the Wright judgment, Mr. Justice Powell or Mr. Turnbull might use the statement to the Government's disadvantage, for example, by seeking to make public evidence, whether Government's or Wright's, given in camera. But publication of West's book, expected on Thursday 12 March, provided an obvious opportunity for a statement.

Concluding the discussion the Prime Minister said that subject to seeing a further draft of the statement she was minded to issue it as a Written Answer on Friday after the publication of West's book and the delivery of Mr. Justice

Powell's judgment. The answer should be much shorter than the draft attached to Sir Robert Armstrong's minute. It should make the following points:

(1) She had been advised that Mr. Mitchell had been thoroughly and objectively investigated and the conclusion of the investigation had been that he had not been an agent of the Russian Intelligence Service. He had been informed of this conclusion. She reaffirmed that conclusion today.

(2) It was deplorable that such false allegations had been made about a distinguished public servant who could not defend himself.

(3) We should be grateful for the dignity and patience with which their families have endured these accusations.

(4) Such accusations discouraged and damaged the Service on whose skill, efficiency and loyalty the nation can with confidence rely for the defence of our freedom.

If possible, the Parliamentary Question should be tabled by the MP for the area, Newport Pagnell, where Mr. Mitchell used to live. This was thought to be Mr. Benyon, M.P.

I should be grateful if the Cabinet Office, in consultation with the other departments concerned, could let me have by midday on Wednesday, a text of a draft Question and Answer for the Prime Minister.

I am sending a copy of this letter to the Private Secretaries to the Lord President, the Foreign Secretary, Solicitor General, and to Sir Robert Armstrong, Sir Brian Cubbon, Mr. Mallaby, Mr. Walker and Mr. Waugh.

Yours ever

Nigel Wicks

(N. L. WICKS)

Stephen Boys Smith, Esq.,
Home Office.

CONFIDENTIAL

SRWASB

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE PETER WRIGHT CASE OD(DIS)(87)18

The Prime Minister has seen this note by the Secretaries on the forthcoming serialisation in the Sunday Times of a book by Malcolm Turner.

The Prime Minister is generally content with the approach suggested by officials. But she would like somewhat greater assurance that in the Sunday Times serial there is no information which Mr. Turnbull has undertaken in the Australian Court not to disclose or which he has obtained through a breach of confidence by Wright. She suggests that this assurance could be obtained by a suitable reply to a letter which Mr. Brett of Times newspaper sent Mr. Hogg on 3 March. The reply to Mr. Brett might make the following points:

(i) the Government takes Mr. Brett's letter to mean that the text provided by Mr. Turnbull to the Sunday Times does not contain material either from the closed court sessions or material which is the subject of the Australian injunction;

(ii) even if material provided by Mr. Turnbull does conflict with (i) we trust that the Sunday Times would not publish it.

The precise words of the letter will, of course, need approval of the Law Officers. The Prime Minister thinks it important to have on the record some such statement as protection in case the Sunday Times publishes any offending material.

I am sending a copy of this minute to the Private Secretaries to members of OD(DIS) and Mr. Mallaby.

(N. L. WICKS)
9 March 1987

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

c. FCO. LOD MOD HO. LPO. + Mallaby

SIR ROBERT ARMSTRONG

THE PETER WRIGHT CASE (OD(DIS)(87)17)

The Prime Minister has made the following comments on this note by officials about the Government's response to Mr. Justice Powell's judgement in the Wright case.

Paragraph 3: The Prime Minister agrees that the High Commissioner should be present at the judgement. But she thinks that it would also be helpful to have someone present from London who is familiar with all our discussions.

Paragraph 4: She is not content with the draft Press Statement at Annex A. With reference to the phrase "its legal advice" in the second paragraph of that Annex, the Prime Minister has commented that the Government has no legal advice. It has legal advisers. She would like the paragraph to be amended accordingly.

Paragraph 5: She believes that the material in Annex B is too defensive and not appropriate. She believes too that it will lead to calls for such statements to be made in Parliament. In particular, she sees no reason to admit in the material the point that the Government brought the action before it had seen a copy of Mr. Wright's manuscript.

Paragraph 8 of Annex B is too defensive.

Paragraph 7: The Prime Minister agrees that there should be no dismissive statement. She has questioned the reference in the second sentence that the judgement would be based "... on the Government's admission for the purposes of the case that the allegations in the manuscript are true ...". She wonders whether a better formulation is on the lines that our position was that "even if the allegations were true ...".

Subject to these points the Prime Minister is content that the draft Press Statement should be issued immediately after the judgement. But she would like to see a revised draft before any action is taken. She is content that a letter should be sent to Mr. Greengross as soon as possible after the judgement, mentioning prolongation of his undertakings to the Court in Sydney.

I am sending copies of this minute to the Private Secretaries to the members of OD(DIS) and to Mr. Mallaby.

N. L. W.

N.L. WICKS

9 March 1987

PRIME MINISTER

ALLEGATIONS ABOUT MR. GRAHAM MITCHELL, FORMERLY DEPUTY DIRECTOR GENERAL OF THE SECURITY SERVICE

Those attending the meeting are:

Lord President
Home Secretary
Solicitor General
Sir Robert Armstrong
Sir Brian Cubbon
Mr. Mallaby

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

Sir Antony Duff will have left for his Conference in New Zealand and has asked that

should attend.

I suggest that the agenda for the meeting might be as follows:

1. Are we on safe ground in concluding that Mr. Mitchell was never a Russian spy?
   I suggest that you ask the Security Service representatives to take you through the history of his investigation. You might press them on why the Security Service has so changed its assessment on Mr. Mitchell over the years.

2. What is the case for your making a Statement?
   Bernard reports that the Sunday Lobby showed little interest in the Mitchell case. So at least as seen on Friday night there is no great press interest or Parliamentary pressure. The case for a statement seems to rest on:
   - clearing the name of someone who cannot defend himself
   - standing up in public for Mitchell's old service who probably will feel intensely frustrated about these

Crem 19/2504

Minute dated
06.03.87

wild allegations and about their inability to defend themselves in public

- discrediting West and laying to rest any suspicions that the Government put him up to write a book which rubbishes the Wright thesis that Hollis was a spy.

The case against a statement is:

- there must be an outside risk that some new evidence will come to light casting doubt on anything you might say in Mitchell's defence
- it provides an unfortunate precedent; on future occasions we may not want to respond to allegations that someone has been a Russian spy
- it would give undesirable publicity to West's book.

3. If there is to be a statement, when should it be made? On the publication of West's book (whenever)? A day or so after the Wright judgement?

4. How should the statement be made? Not by a press notice (as happened with Lord Rothschild). An oral statement provides scope for undesirable questioning. A written answer looks best. This will provoke demands from the Opposition for an oral statement. These will need to be resisted.

5. Are you content with the draft text at Annex A? I suggest that the meeting goes through the text paragraph by paragraph. Two general points on the text:

- it will need some amendment since it is drafted as an oral rather than a written statement
- wherever possible the text needs to distance you from the events described with such devices as "I am advised ..." or "I am told ...".

Some particular points on the paragraphs:

Paragraph 2 - the manuscript change assumes a statement on the day of publication of West's book.

Paragraph 6 - this is the first time that we will have said in public that defector evidence tends to confirm the conclusion that neither Hollis nor Mitchell were spies.

Paragraph 7 - The last sentence seems to go over the top somewhat and I have suggested in manuscript a toning down.

Paragraph 8 - This is a (well-deserved) attack on West and will be seen as such.

- You might ask Sir Robert what led him to amend the last sentence.

At a later stage the Chief Whip and Bernard should see the text so as to advise on Parliamentary and press reaction respectively. The Chancellor of the Duchy ought to have the opportunity to comment on paragraph 8 with its implicit attack on West.

I enclose for reference a copy of your Hollis statement.

N.L.W.

NIGEL WICKS

6 March 1987

VSCAEO

Security

The Prime Minister (Mrs. Margaret Thatcher): With permission, Mr. Speaker, I will make a statement about the security implications of the book published today that purports to give a detailed account of the investigations into the penetration of the Security Service and other parts of the public service that were undertaken following the defection of Burgess and Maclean in 1951.

The events into which those investigations were inquiring began well over 40 years ago. Many of those named or implicated in this book as having been the subject of investigation have died. Others have long since retired. None of them is still in the public service.

The extent of penetration was thoroughly investigated after the defection of Burgess and Maclean, as, indeed, the author of this book makes clear. The book contains no information of security significance that is new to the security authorities, and some of the material is inaccurate or distorted. All the cases and individuals referred to have been the subject of long and thorough investigation.

The investigations into the possibilities of past penetration have inevitable extended widely. They have covered not only those suspected of being guilty but all those who could conceivably fit the often inconclusive leads available. The fact that somebody has been the subject of investigation does not necessarily, or even generally, mean that he has been positively suspected. Many people have had to be investigated simply in order to eliminate them from the inquiry.

The results of the investigations into Philby and Blunt are now well known. There were good reasons for suspecting a few others, but as it was not possible to secure evidence on which charges could be founded they were required to resign or were moved to work where they had no access to classified information. Many others were eliminated from suspicion.

Apart from the main allegation, to which I will come, I do not propose to comment on the allegations and insinuations in this book. Nor can I say which allegations are unsubstantiated or untrue—as some certainly are—since by doing so I should be implicitly indicating those that were suspected of having a degree of substance.

I must, however, comment upon the grave allegation that constitutes the main theme of the book—that the late Sir Roger Hollis, director general of the Security Service from 1956 to 1965, was an agent of the Russian intelligence service.

The case for investigating Sir Roger Hollis was based on certain leads that suggested, but did not prove, that there had been a Russian intelligence service agent at a relatively senior level in British counter-intelligence in the last years of the war. None of these leads identified Sir Roger Hollis, or pointed specifically or solely in his direction. Each of them could also be taken as pointing to Philby or Blunt. But Sir Roger Hollis was among those that fitted some of them, and he was therefore investigated.

The investigation took place after Sir Roger Hollis's retirement from the Security Service. It did not conclusively prove his innocence. Indeed, it is very often impossible to prove innocence. That is why, in our law, the burden of proof is placed upon those who seek to establish guilt and not on those who defend innocence. But no evidence was found that incriminated him, and the conclusion reached at the end of the investigation was that he had not been an agent of the Russian intelligence service.

This view was challenged, however, by a very few of those concerned, and in July 1974, Lord Trend, the former Secretary of the Cabinet, was asked to review in detail the investigations that had taken place into the case of Sir Roger Hollis and to say whether they had been done in a proper and thorough manner, and whether in his view the conclusions reached were justified. Lord Trend examined the files and records and he discussed the case with many of those concerned, including two people who considered that the investigation should be reopened.

Mr. Pincher's account of Lord Trend's conclusions is wrong. The book asserts that Lord Trend

"concluded that there was a strong prima facie case that MI5 had been deeply penetrated over many years by someone who was not Blunt",

and that he

"named Hollis as the likeliest suspect".

Lord Trend said neither of those things, and nothing resembling them. He reviewed the investigations of the case and found that they had been carried out exhaustively and objectively. He was satisfied that nothing had been covered up. He agreed that none of the relevant leads identified Sir Roger Hollis as an agent of the Russian intelligence service, and that each of them could be explained by reference to Philby or Blunt. Lord Trend did not refer, as the book says he did, to

"the possibility that Hollis might have recruited unidentified Soviet agents into MI5".

Again, he said no such thing.

Lord Trend, with whom I have discussed the matter, agreed with those who, although it was impossible to prove the negative, concluded that Sir Roger Hollis had not been an agent of the Russian intelligence service.

I turn next to the arrangements for guarding against penetration now and in the future.

All Departments and agencies of the Government, especially those concerned with foreign and defence policy and with national security, are targets for penetration by hostile intelligence services. The Secrurity Service, with its responsibilities for countering espionage and subversion, is a particularly attractive target. Recent security successes, such as the expulsion of members of the Russian intelligence service from this country in 1971, would hardly have been achieved if the Security Service had been penetrated.

The Security Service exercises constant vigilance not only against the risk of current penetration but against the possibility of hitherto undetected past penetration, which might have continuing implications. But, however great our confidence in the integrity and dedication of those now serving in the Security Service, we need to make sure that the arrangements for guarding against penetration are as good as they possibly can be, both in this area and throughout the public service.

Existing security procedures were introduced during the years following the Second World War. Burgess, Maclean, Philby and Blunt were all recruited by the Russian intelligence service before the Second World War and came into the public service either before or during the war, well before existing security procedures were introduced.

It was in 1948 that the then Prime Minister announced the Government's intention to bar Communists and Fascists and their associates from employment in the

public service in connection with work the nature of which was vital to the security of the State. This led to the introduction of what came to be known as the "purge procedure".

In 1952, the positive vetting procedure was instituted, with the object of establishing the integrity of civil servants employed on exceptionally secret work. In 1956, it was publicly declared that character defects, as distinct from Communist or Fascist sympathies or associations, might affect a civil servant's posting or promotion. In 1961, security procedures and practices in the public service were reviewed by an independent committee under the chairmanship of the late Lord Radcliffe.

The committee's report, published in 1962, contained an account of those procedures, and made various recommendations for modifying them, which the Government accepted. These procedures, as modified in 1962, are still in operation.

These arrangements have over the years substantially reduced the vulnerability of the public service to the threat of penetration and have served the interests of national security well. But it is 20 years since they were last subject to independent review. In that time the techniques of penetration and the nature of the risks may have changed. We need to make sure that our protective security procedures have developed to take account of those changes. I have therefore decided, after consultation with the right hon. Gentleman the Leader of the Opposition, to ask the Security Commission:

"To review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required".

These terms of reference will enable the Security Commission to review, and to make recommendations as appropriate, on the arrangements and procedures used in all parts of the public service for the purposes of safeguarding information and activities involving national security against penetration by hostile intelligence services, and of excluding from appointments that give access to highly classified information both those with allegiances that they put above loyalty to their country and those who may for whatever reason be vulnerable to attempts to undermine their loyalty and to extort information by pressure or blackmail.

There are difficult balances to be struck here between the need to protect national security, the nature and cost of the measures required to do so effectively, the need for efficiency and economy in the public service, and the individual rights of members of the public service to personal freedom and privacy. The Security Commission will be able to consider how these balances ought to be struck in the circumstances of the present time, as it conducts its review and prepares its recommendations. It will be my intention to make its findings known to the House in due course, to the extent that it is consistent with national security to do so.

In conclusion, Mr. Speaker, I should like to emphasise once again that this statement arises out of a book that deals with investigations of matters and events that occurred many years ago. My concern is with the present and with the future. That is why I am asking the Security Commission to undertake the review that I have described.

M. Michael Foot (Ebbw Vale): Although it is not always the custom to make statements to the House on such matters, I am sure that the right hon. Lady was right to do so in this instance. The House and the country will be grateful to her for having done so. In different parts of her statement she emphasised the fact that some of the material in the book is unsubstantiated, untrue, inaccurate and distorted. That must be taken into account. Individuals can be grossly misjudged and defamed by such material. People should take account of such matters, whether they are writing about the dead or the living.

Some of the newspaper reports included material that, in the right hon. Lady's words, was "inaccurate or distorted", as if it were proven and unchallengeable. Such reports could also lead to grave injustices. In addition to the extremely important security questions involved, those matters must be taken into account.

When the right hon. Lady put the proposal to me that we should have a commission of investigation, with the suggested terms of reference, I thought that that was the right course for the Government and the House to take. I certainly support it. I should like to call the attention both of the House and of the right hon. Lady to the statement made by my right hon. Friend the Member for Cardiff, South-East (Mr. Callaghan), the previous leader of the Labour Party. When these matters were debated in the House on 21 November 1979 he made a recommendation to the Government concerning the appointment of an inquiry. He did so following the changes in security arrangements that my right hon. Friend the former Home Secretary had made as a result of certain revelations.

My right hon. Friend the Member for Cardiff, South-East proposed that there should be an inquiry. He said:

"We could discuss how it were done, what its terms of reference were and who would conduct it. It would report back on whether any change were needed in relations between Ministers and the heads of the services, or whether Parliament could be involved more, not in the decisions, but in the rules and in the way in which they were applied and observed".—[*Official Report*, 21 November 1979; Vol. 974, c. 511.]

I hope that the right hon. Lady will take into account all my right hon. Friend's recommendations. I agree that the House should be primarily concerned with the present and the future rather than the past. It is right that the House should adopt the recommendation that she has made and I certainly hope that it will be adopted.

CONFIDENTIAL

VC3AQF

cc CABINET — Business Pt. 14

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

MR. CLOKE

CABINET OFFICE

Business

The Prime Minister discussed this morning with Sir Robert Armstrong your minute of 5 March which contained proposals for Cabinet and Cabinet Committee meetings which she chairs for the three weeks from Monday 9 March until Friday 27 March.

The Prime Minister told Sir Robert that she agreed with the proposals set out in your minute.

The Prime Minister also discussed with Sir Robert the arrangements for considering the Government's response to Mr. Justice Powell's judgement in the Wright case, which was now expected on Friday 13 March. If the judgement went in the Government's favour, the ball would be in Wright's court. But if the judgement went against the Government, the Prime Minister believes that the Government should be in a position to announce very quickly that it is making an application to appeal. If the judgement were to be given on Friday 13 March, the Government should announce an intention to appeal on Monday 16 March or at the very latest on Tuesday 17 March.

K

The Prime Minister would be grateful if Sir Robert could put in hand the necessary arrangements so that the announcement about an appeal can be made, if necessary, according to this timetable.

N.L. WICKS

6 March 1987

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ECL

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

THE PETER WRIGHT CASE: EFFORTS TO ARRANGE SERIALISATION IN NORTH AMERICA
(OD(DIS)(87)50)

The Prime Minister has seen the note by the Secretaries which suggests possible action vis à vis the UK parent company of the possible US publisher involved in serialisation of Wright's manuscript in North America.

Subject to the views of other Ministers, the Prime Minister believes that the line of action described in paragraph 3(a) in the note by officials should be followed. She believes it important that the formal approach to the UK publishers, described in that paragraph, should be made as soon as possible, and preferably today. Such an approach can be supplemented by a Minister approaching informally a senior member of Pearson or Penguin to explain to them why the Government feels it necessary for the Treasury Solicitor to write. The Lord President has, I understand, undertaken to talk to the Chairman of Pearsons in these terms.

I am sending a copy of this minute to the Private Secretaries to members of OD(DIS) and to Mr. Mallaby.

N.L.W.

N.L. WICKS
6 March 1987

ECL

hle

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10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

NIGEL WEST'S "MOLEHUNT" SERIALISATION IN THE DAILY EXPRESS (OD(DIS)(87)16)

The Prime Minister has seen the note by the Secretaries on what further action might be taken against Mr. West, his publishers or the Daily Express following the inclusion, in the first instalment on 2 March of the Daily Express serialisation, of four specific matters which West had agreed to delete from the book.

The Prime Minister agrees, subject to the views of other colleagues, with the course of action recommended by officials in paragraph 5 of the note; and in particular that the only practical course is to let matters rest.

I am sending a copy of this minute to the Private Secretaries to the members of OD(DIS) and to Mr. Mallaby.

N.L.W.

N.L. WICKS
6 March 1987

CONFIDENTIAL

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Prime Minister

MT

Ref. A087/636

MR WICKS

I regret to have to report the arrest of a junior member of the Security Service on a charge of theft.

2. Earlier this month the Metropolitan Police discovered 36 government chairs in a shop in Catford. These were the majority of a consignment of 40 chairs purchased by the Security Service (under cover of the Ministry of Defence) in November 1986; four of the chairs had apparently been sold by the shop. Police inquiries led to the arrest of the managing director of a firm of removal contractors used by the Security Service and of a junior member of the Security Service responsible for furniture supplies.

3. It is feared that this may not have been a single incident, and that another member of the Service may be arrested on a similar charge shortly.

RTA

ROBERT ARMSTRONG

5 March 1987

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16

Ref. A087/617

MR WICKS

Molehunt

I should be grateful if you would substitute the attached sheet for the last page of the draft statement attached as Annex A to my minute of 4 March (A087/614).

with NLW

2. As you will see, I am suggesting a slight change to the last sentence of the draft statement after consultation with the Director General of the Security Service.

3. I am sending copies of this minute and the attachment to the Private Secretaries to the Foreign and Commonwealth Secretary, the Home Secretary, the Solicitor General and the Director General of the Security Service.

MS Wadley
(Private Secretary)

for ROBERT ARMSTRONG

5 March 1987

(agreed by the Cabinet Secretary and signed in his absence)

between fact and surmise, or between truth and fabrication. This irresponsible campaign discourages and damages a Service on whose skill, efficiency and loyalty we with confidence rely for the defence of our freedom.

05 III
1987

CCB|UP

ISC

PRIME MINISTER

MOLEHUNT

The upshot of Sir Robert Armstrong's submission below is that you should table a question tomorrow, for written answer on Friday, about the allegations that Mr. Graham Mitchell was a Russian spy. A draft of the answer is at annex A.

There are two reasons why, in the light of these papers, I would counsel some caution in proceeding so fast:

(i) Bernard tells me that he is under absolutely no pressure from the press about Mitchell. There is no interest in his case. The Sundays may be interested, but we are nowhere near the state of interest evidenced before Christmas about allegations concerning Lord Rothschild.

(ii) Annex D shows that in the early stages there was considerable suspicion about Mitchell. Later investigation apparently removed that. The case is not clear cut. There is therefore much to be said for your having an opportunity to discuss these papers with your colleagues, both to obtain their judgement on the conclusion that Mitchell was not a spy and on the need to make a statement.

These considerations suggest that we should not hurry to table a PQ tomorrow for answer on Friday. Rather, you should have a thorough discussion with the colleagues concerned (perhaps on Monday morning). This would still allow a question to be tabled on Monday for answer on Tuesday. The only risk here is that your answer, if you decided to make one, could be overtaken by Mr. Justice Powell's judgement. On balance, I think that risk worth running.

Agree therefore to no written answer on Friday and an early meeting with the possibility of an answer on Tuesday? I

suggest that the following should be invited to any meeting - Lord President, Foreign and Commonwealth Secretary, Home Secretary, Solicitor General, DGSS and Sir Robert Armstrong. Agree?

Yes — the alarming thing is the earlier conclusion — astonishing in the light of the 1970 decision. One wonders why he wasn't interviewed in 1963 before such a contrary conclusion was recorded

mt

N.L.W.

N.L. WICKS

4 March 1987

EL3BUO

cc BMCP
ISB

Ref. A087/614

PRIME MINISTER

Molehunt

With my minute of 2 March (Ref. A087/595) I submitted briefing, to be used in case you were asked during the course of Question Time on Tuesday 3 March to comment on the allegations that Mr Graham Mitchell, formerly Deputy Director General of the Security Service, had been a Russian spy, which were being made in the extracts in the Daily Express from Nigel West's new book, Molehunt.

2. You decided that you would not wish to make any substantive comment on those allegations by way of answer to a supplementary question; but you said that you would be prepared to consider the possibility of making a fuller statement in some other form on a suitable occasion. Before doing so, you would wish to have an opportunity of satisfying yourself as fully as possible about the validity of anything which it was suggested you might say in such a statement.

3. Your general practice is of course not to comment on stories and allegations about security and intelligence matters. The case for departing from that practice in this instance is:

i. you have previously made statements about individuals accused of being Russian spies, either to deny that they were (Hollis and Rothschild) or to confirm that they were (Blunt and Long);

SECABD

ii. the allegation that Mr Mitchell was a Russian spy is hardly less serious than the allegation that Sir Roger Hollis was a spy, given that Mr Mitchell was Deputy Director General of the Security Service when Sir Roger Hollis was Director General;

iii. Mr Mitchell was investigated as thoroughly as Sir Roger Hollis, and the conclusion reached was that he had not been an agent of the Russian Intelligence Service. Mr Mitchell was informed of that conclusion.

4. If you were to make such a statement, it would provide an opportunity for you, if you wished, to deal with two other matters:

a. the defector evidence which has come to light since your statement about Hollis in March 1981, all of which confirms the conclusion that neither Hollis nor Mitchell was a spy;

b. the irresponsibility of those who publish unsubstantiated allegations about penetration of the Security Service, and thus damage the Service's effectiveness.

5. During my evidence in the Peter Wright case in Sydney, I was asked whether new evidence since your statement in March 1981, and particularly defector evidence, had thrown any further light on the charges about Hollis. I gave evidence in very general terms to the effect that there was defector evidence which confirmed the conclusion that Hollis was not a spy. I was not pressed on the matter, no doubt because it did not suit Mr Turnbull's thesis that the point should be elaborated. But, on instructions from London, I gave that evidence in camera.

attached

6. The Solicitor General, in his minute of 3 March, has advised that you would be justified in coming out now with a statement that on past and present information we have firmly concluded that neither Mitchell nor Hollis was a spy. He believes that the yield from a statement which referred to the defector evidence, made before Mr Justice Powell's judgment, warrants the risk of any adverse conclusions in Australia. I think that the point he has made is a policy point rather than a legal point. It may be that we should not technically be in contempt of court if you referred to the defector evidence in a statement. There is perhaps a danger that, if you do so before the judgment, Mr Turnbull will feel free, or will ask the court's leave, to publish some of Mr Wright's in camera evidence - some of which we should not want to see published. You will wish to consider whether it is worth running that risk.

7. I attach as Annex A a draft of a statement which you might make. The draft has been agreed with the departments and agencies concerned. The draft refers in paragraphs 6 and 7 to the defector evidence.

8. If you were going to make a statement, it would be necessary to consider when and in what form you should make it. In considering this, you will want to have regard to the fact that Mr Justice Powell's judgment is expected within the next ten days or so, and that that will probably be followed by the issue of a number of books, by Mr Turnbull and Mr Greengrass, Mr David Hooper (Heinemann's solicitor) and by an Australian investigative journalist. We think that, if you put off a statement until after the judgment, there would be a risk of the statement being drowned in the noise created by the judgment and perhaps by the subsequent books. It would also be advantageous to link the statement as closely as possible with the publication in the Daily Express of the extracts from Molehunt, so that the statement was seen in that context.

SECABD

9. You would want to consider whether to make the statement by way of an oral statement or by way of a written answer to an arranged Parliamentary Question. There are precedents for both: you made oral statements about Blunt and Hollis, you gave a written answer about Long, and of course you issued a press statement about Lord Rothschild. On balance, officials consider that, if the statement is to be made before the judgment, it would be safer to make it in a way which does not involve you in getting drawn into supplementary questions and answers. We should therefore recommend a written answer to an arranged Parliamentary Question.

10. It will be possible to put down the Question on Thursday 5 March, for answer on Friday 6 March. That would enable your statement to be got out before the Sunday newspapers chewed over extracts from Molehunt. The alternative is to put down the Question on Monday 9 March and answer it on Tuesday 10 March (publishing the answer at 4.00 pm after your oral questions). The advantage of this course would be that there would be more time for you to get the statement into whatever form you wanted and to satisfy yourself that it could be fully validated. The disadvantage would be that you would miss the Sunday newspapers this weekend, and that you could conceivably be overtaken by Mr Justice Powell's judgment; and your statement would then be rather further distanced from the publication of the extracts from Molehunt.

11. On balance, therefore, we recommend putting down an arranged Question on Thursday 5 March for answer on Friday 6 March.

--- 12. I attach:

a. as Annex B, a note by the Security Service on information suggesting penetration of the Security Service;

SECABD

b. as Annex C, a note by the Security Service on defector information about penetration of British special services;

c. as Annex D, a note by the Security Service on the investigation of Mr Graham Mitchell.

13. I am sending copies of this minute and the Annexes to the Foreign and Commonwealth Secretary, the Home Secretary, the Solicitor General and the Director General of the Security Service.

RTA

ROBERT ARMSTRONG

4 March 1987

SECABD

DRAFT STATEMENT

As the House knows, I have followed, and intend to continue to follow, the general practice of successive Governments not to comment in the House or elsewhere on security and intelligence matters and neither to confirm nor to deny stories and allegations on such matters.

2. Nonetheless, I thought it right in March 1981 to make a statement about allegations concerning Sir Roger Hollis, a former Director General of the Security Service, and I think it right again today to make a statement about allegations made about Mr Graham Mitchell, who was Sir Roger Hollis's deputy, in [a book which has just been published extracts from a forthcoming book which have been published in a newspaper this week.]

3. In my statement on 26 March 1981, I told the House that there had been a thorough and objective investigation of Sir Roger Hollis, at the end of which the conclusion reached was that he had not been an agent of the Russian Intelligence Service.

SECABC

4. The allegations against Mr Mitchell are not new. I can now tell the House that Mr Mitchell was no less thoroughly and objectively investigated, and the conclusion of that investigation also was that he too had not been an agent of the Russian Intelligence Service. Mr Mitchell was informed of this conclusion.

5. As in the case of Sir Roger Hollis, that was also the conclusion reached by Lord Trend after he had reviewed the investigation of both men.

6. I am advised that no new evidence which would tend to invalidate those conclusions has come to notice since my statement in March 1981. Indeed, since that time, a number of important Russian Intelligence officers, both KGB and GRU, have defected to the West, and the information which they have provided has given a reliable insight into Russian intelligence records and the attitudes of senior Russian Intelligence officers to allegations of espionage which have been given currency in this country. What they have told us has confirmed the conclusions that neither Sir Roger Hollis nor Mr Mitchell was a spy.

Nor has there been any suggestion that there was any other hitherto undetected spy.

7. The Russian Intelligence officers to whom I have referred have also told us about the satisfaction derived by their Services from the allegations made in the West about Sir Roger Hollis. It is clear that the Russian Intelligence Services consider that the publicity given to those allegations has served Soviet purposes better than anything which they themselves could have arranged.

8. The House will join me in deploring the conduct of those who make a living ~~and a virtue~~ out of parading allegations about distinguished public servants who cannot defend themselves. We ~~should defend those who have been unjustly accused, and~~ should be grateful for the dignity and patience with which their families have endured these accusations.

In these last few months we have seen a ~~sustained campaign~~ of vilification of the Security Service, based on sensational and ~~unsubstantiated~~ allegations, in which no distinction is drawn

SECABC

between fact and surmise, or between truth and fabrication. This irresponsible campaign discourages and damages a Service on whose skill, efficiency and ~~integrity~~ loyalty we with confidence rely for the defence of our freedom.

Prime Minister.

RTA has suggested the changes above, after consultation with the DGSS.

NCW
5.3

THE NATIONAL ARCHIVES

DEPARTMENT/SERIES Prem 19 PIECE/ITEM 2504 (one piece/item number)	Date and sign
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GENERAL

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ISA

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LONDON, WC2A 2LL

~~01x405x2641xEXT~~
01-936-6407

PRIME MINISTER

GRAHAM RUSSELL MITCHELL

with NLW.

I have seen a copy of Sir Robert Armstrong's minute of 2 March to Nigel Wicks with alternative drafts, A and B, attached, dealing with the position of Sir Roger Hollis and Graham Mitchell.

I understand that consideration was given earlier to a statement along the lines that it would be inappropriate to comment on these matters while the Peter Wright proceedings were continuing in Australia. I do not think we are obliged to be so inhibited when dealing with the publication of extracts in the Daily Express from Molehunt.

Although the position of Hollis, and to a lesser extent of Mitchell, is a matter in issue in the proceedings in Australia, I think that you would be justified in coming out now with a statement that on past and present information we have firmly concluded that neither Mitchell nor Hollis was a spy. I would not regard this as a contempt of the New South Wales court. It would be justifiably occasioned by this latest publication if made at once. I could not rule out the possibility that the judge would be critical of you for speaking out now on the subject; but you could no doubt bear that philosophically.

There can be no doubt it would be safer not to mention the defectors, since we asked and secured that evidence about them in the New South Wales proceedings should be given in camera. Sir Robert Armstong's advice is without question prudent. But it seems to me it is high time we were seen making some runs in this match, for more than one reason; and the defectors' account of how pleased their Services were by the allegations made against Hollis is worth a century. The chances are that we shall get an adverse judgment from Powell, J., vividly expressed, followed by some free-hitting comment by Turnbull. I believe the yield from a statement in draft A terms, made very soon, warrants the risk of any adverse consequence in Australia.

I am copying this to the Home Secretary and to Sir Robert Armstrong, the Director General of the Security Service and the Treasury Solicitor.

Patrick Kaughan

3 March 1987

04 III 1987

With the Compliments

of

PRIVATE SECRETARY

3 MARCH 19 87

LORD ADVOCATE'S CHAMBERS
FIELDEN HOUSE
10 GREAT COLLEGE STREET
LONDON SW1P 3SL

Telephone: Direct Line 01-212 0100
Switchboard 01-212 7676

SECRET

per

15

Lord Advocate's Chambers
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Sir Robert Armstrong GCB CVO
Secretary of the Cabinet
and Head of the Home Civil Service
Cabinet Office
70 Whitehall
LONDON SW1A 2AS

3 March 1987

Dear Sir Robert,

I am grateful to the Prime Minister for agreeing to my participation in the work of OD(DIS). As you appreciate, the problems with which the Sub-Committee deals may originate from either side of the border and it is frequently necessary to consider whether parallel action is required in the English and Scottish courts.

I am also grateful to you for enabling my Legal Secretary to participate in the work of the Official Sub-Committee.

Copied to the Prime Minister and other members of the Sub-Committee.

Yours ever
Cameron of Lochbroom

CAMERON OF LOCHBROOM

SECRET

SECURITY: Secret Service: PtS

04.11

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

3 March 1987

Dear Ian,

OD(DIS)(87)9: WALLACE AND HOLROYD

Nigel Wicks wrote to John Howe on ~~26~~ 27 February, referring to the Prime Minister's understanding that the Treasury and Civil Service Select Committee might be about to open enquiries into Wallace and Holroyd's allegations, and expressed the Prime Minister's request that the Lord Privy Seal should urgently tell Mr Higgins, the Committee's Chairman, the Government's views on those allegations.

As I told you over the telephone yesterday, the Lord Privy Seal saw Mr Higgins before the TCSC met that afternoon and spoke as requested. Mr Higgins explained that his Committee would be considering whether to take up the issues raised in correspondence with them by Wallace and Holroyd, but that he believed they should not take them up. Following the Committee's meeting, Mr Higgins called on the Lord Privy Seal to let him know that the Committee had decided not to do so. He would be writing to the Prime Minister shortly.

I am sending copies of this letter to the Private Secretaries to other members of OD(DIS) and to Nigel Wicks, Michael Saunders, Christopher Mallaby and Trevor Woolley.

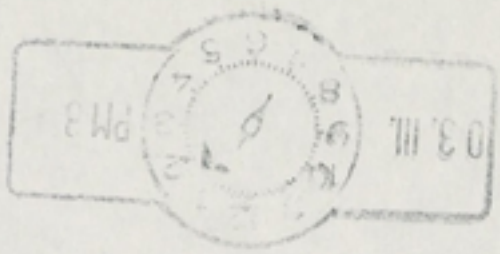
Yours sincerely,

Steven Wood

S N WOOD
Private Secretary

Ian Andrews Esq
Private Secretary to the Secretary of State
Ministry of Defence

SECURITY: Puncher/Holes PTS



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-930 7022

MO 19/3/12V

2 March 1987

MoD will see that MoSyL Rees is aware that the question is being answered.
MEA 3/3

Dear Mark,

OD(DIS)(87)9: WALLACE AND HOLROYD

In his letter of 26th February to John Howe, Nigel Wicks set out the Prime Minister's views on the action that should be taken in response to the allegations being made by Wallace and Holroyd concerning events in Northern Ireland in the mid-1970s.

You will be aware that Mr Teddy Taylor MP has put down a Parliamentary Question for written reply by my Secretary of State concerning his part in Holroyd's affairs. The Question provides the opportunity for adopting a dismissive line on the allegations which have been made by Wallace and Holroyd on the lines recommended in OD(DIS)(87)9 and will be answered by the Parliamentary Under Secretary of State for the Armed Forces, Mr Roger Freeman, who has been handling the Defence aspects of the Holroyd and Wallace cases. I attach a copy of the Question and draft Answer which has been cleared by officials in the Northern Ireland Office, the Security Services, the Solicitor General's Office and the Cabinet Office. Provided that you and copy addressees see no objection, we intend to arrange for the Answer to be given tomorrow, Tuesday 3rd March, in time for Prime Minister's Question Time.

You will note that the announcement that no legal action is planned to restrain the publication of these allegations has been incorporated into the proposed Answer. As this is a collective Ministerial decision, the Solicitor General's Office has agreed that it would be appropriate for it to be announced in this way.

I am sending copies of this letter to the Private Secretaries to other members of OD(DIS) and the Lord Privy Seal (who may wish to draw on the Background Note when giving Mr Terence Higgins the Government's views on the allegations) and to Michael Saunders (Solicitor General's Office), Christopher Mallaby and Trevor Woolley (Cabinet Office).

(I C F ANDREWS)
Private Secretary

Mark Addison Esq
No 10 Downing Street

MR TEDDY TAYLOR (CONSERVATIVE)(SOUTHEND EAST)

Mr Taylor - To ask the Secretary of State for Defence, if he will publish in the Official Report the dates on which letters from the honourable Member for Southend East relating to the case of ex-Captain F Holroyd of Flat 1, 314 Station Road, Westcliffe on Sea, Essex, were received by his Department, the dates on which meetings with Ministers on the case took place, and of any other representations or discussions which took place between the honourable Member and representatives of his Department on the case; and if he will make a statement.

DRAFT ANSWER

(Mr Roger Freeman)

Letters relating to the case of Captain (Retd) F Holroyd were received from my hon friend the Member for Southend East on the following dates:

6th February 1986
19th March 1986
30th March 1986
17th April 1986
21st May 1986
18th June 1986
25th June 1986
27th June 1986
23rd July 1986
22nd September 1986
12th November 1986
19th November 1986
3rd December 1986
4th February 1987
24th February 1987

I had meetings with my hon friend on 17th June, 8th July and 28th October 1986, when the hon Member spoke to me in his capacity as a Member of Parliament seeking to represent Captain (Retd) Holroyd's view. I am not aware of any other representations or discussions between the hon Member and representatives of the Ministry of Defence.

The various allegations made by Captain (Retd) Holroyd and Mr Colin Wallace over many years about the conduct of the security forces in Northern Ireland have been fully and carefully investigated since they left the Province in 1975. No evidence has been discovered as a result of these investigations to substantiate any of their allegations.

The Government does not consider the public interest requires legal action to be taken to restrain the publication of such allegations.

BACKGROUND NOTE

1. Captain (retired) Frederick Holroyd, formerly of the Royal Corps of Transport, was a regimental intelligence officer with the Army in Northern Ireland (concerned with dissemination, not collection, of intelligence) for rather over a year until he was transferred from the Province, because he was considered to be under stress, in 1975. After a month in hospital he took up normal duties in England. He resigned his commission in 1976 despite assurances that, since he had recovered, his time in hospital would not affect his Army career.

2. Mr Colin Wallace was a civilian information officer at Army Headquarters in Northern Ireland in the early 1970s. He was transferred from Northern Ireland in 1975, and then suspended from duty, because he had leaked a classified document to a newspaper. He resigned from the Civil Service soon afterwards. In 1980 he was convicted of manslaughter, and in December 1986 left prison on parole.

3. Both men have, over the years, made various allegations about their treatment by the authorities, and about the activities of the Army and others in Northern Ireland. A series of articles in the 'New Statesman' in 1984 by Duncan Campbell, alleging Army 'dirty tricks' in Northern Ireland, was written with Holroyd's help. Holroyd has also alleged that the Security Service had 'an assassination policy' against suspected terrorists and a 'black propaganda' campaign against the Wilson Government in 1974, and that there was a power struggle between MI5 and MI6. At E2 are copies of the latest articles from 'The Times' summarising the current allegations. Mr Wallace has also alleged 'black propaganda' and dirty tricks in Northern Ireland in the 1970s, and intelligence service connections with the homosexual activities at the Kincora boys' hostel.

/4. ...

4. These allegations have been investigated on various occasions, and no evidence has ever been found, or produced by the two men, to support them. The RUC has investigated Holroyd's 'dirty tricks' allegations, and the Director of Public Prosecutions in Northern Ireland ruled that no criminal proceedings or further investigations were warranted. Representatives of the Northern Ireland Office and the Security Services have again confirmed that the two men's various allegations are totally unfounded, although certain names quoted are accurate and certain events referred to did indeed take place, giving an air of veracity to the claims being made.

5. Mr Teddy Taylor MP has been active on behalf of ex-Captain Holroyd since early in 1986. Holroyd originally suggested that he wanted not only for his allegations to be investigated and his Army record to be expunged of any reference to his hospitalisation (which he claims was unfounded), but also that he should receive some financial compensation. 'The Sunday Times' article of 22 February (copy at E3) is however quite wrong to suggest that Mr Taylor was an intermediary between the Government and Captain Holroyd about some kind of secret payment. Mr Taylor has asked that the answer to this question should, if possible, make it clear that he has, throughout his dealings with US of S(AF), been acting solely on behalf of Holroyd, as any MP would do. The draft Answer seeks to meet Mr Taylor's request.

6. The Prime Minister has agreed (her Private Secretary's letter to PS/S of S of 26 February refers) that an early opportunity should be taken to make it clear both that the Government does not intend to take legal action to prevent further publication of Holroyd's and Wallace's allegations and that these allegations have been fully investigated and found to be unsubstantiated. As the decision not to take

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civil proceedings to restrain publication is one taken collectively by Ministers it is not therefore necessary for it to be announced by the Law Officers. The final paragraphs of the draft Answer therefore incorporates both announcements. It has been agreed that the question should be answered on Tuesday 3 March, before Prime Minister's Question Time that afternoon.

7. The draft Answer has been cleared by officials from the Cabinet Office, the Security Services, the Solicitor General's Office, and the Northern Ireland Office.

E2

THE TIMES MONDAY MARCH 2 1987 ☆☆☆

Intelligence accused of link in Dublin bombing

By Richard Ford

The British Secret Service was accused yesterday of supplying explosives to a gang of "loyalists" which launched a bomb campaign in Dublin in which 26 people died.

Mr Fred Holroyd, a former captain in military intelligence, alleged that the three bomb attacks in 1974 were aimed at convincing the Irish Republic's government of the need for tough security measures to combat terrorism.

He said that the bombs were planted by a "loyalist" gang based in Portadown, Co Armagh, which had links with an MI6 officer through a Royal Ulster Constabulary detective sergeant.

In a report in yesterday's *Sunday News* in Belfast, Mr Holroyd said: "The loyalists were not aware they were working for the secret service. They were supplied with unattributable guns and explosives.

"These were weapons which had been seized from the IRA which could not be traced back to British intelligence."

Mr Holroyd said the loyalist gang believed the RUC officer was assisting them because he was an extreme Protestant but the bombings were an attempt to sway Irish government opinion.

The allegation by Mr Holroyd is the latest in a series he and a former Army information officer, Mr Colin Wallace, have made about an alleged "dirty war" waged by the security services in Northern Ireland during the mid-1970s.

The latest allegation, linking British security services with bombings in the republic, is part of a dossier which is understood to have been sent to the Prime Minister in 1984.

In May 1974 three car bombs exploded in Dublin. It was the worst single day of killing during the present troubles.

Last night Mr Dale Campbell-Savours, Labour MP for Workington, who wants a select committee set up to investigate the security services, said Mr Holroyd and Mr Wallace had a credibility problem.

"But there should be an inquiry into the secret service so we can establish whether the allegations are based on fact."

Mr Wallace was in aposition to know what was happening and whilst no one necessarily should believe him we are entitled to have a full inquiry so the public can be informed."

Mr Merlyn Rees, Secretary of State for Northern Ireland at the time, has demanded a statement from the Prime Minister on the allegations.

Sir Patrick Mayhew, Solicitor General, has told the House of Commons that "active consideration" is being given to recent reports concerning the two men.

Last night the Army refused to comment.

● The Official Unionist Party's leadership is to bring disciplinary proceedings against a prominent member, Mr Robert McCartney, QC. He has been increasingly critical of the leadership and is heading a campaign to persuade the main British parties to put up candidates in Northern Ireland adopted by the Official Unionists.

SDP must confront merger question 'in spite of Owen'

By Robin Oakley, Political Editor

The Social Democratic Party would have to face the merger question "in spite of Owen" if it did not do so itself, Mrs Shirley Williams said last night.

Mrs Williams also defended Mr Neil Kinnock's record as leader of the Labour Party and *for the Districts, 1987*, which says that one of the key principles on policing is "to

Leftist to replace Buckton at Aslef

By David Sapsted

Leftist dominance of Aslef, the train drivers' union, which is on a collision course with British Rail over a 14 per cent pay claim, will be strengthened today with the announcement that a veteran

THE TIMES SATURDAY FEBRUARY 28 1987 ☆☆☆☆☆

British security services accused of waging 'dirty war'

Intelligence feud blamed for agent deaths

By Richard Ford

Ten British agents working in Northern Ireland at the height of a "dirty war" lost their lives because of rivalry between MI5 and MI6, it was alleged yesterday.

Two former Army officers serving in intelligence in the province claim the security forces ran a dirty tricks campaign involving assassination and the kidnapping of leading Republicans across the border in the Irish Republic.

One of the men says Robert Nairac, a captain in the Special Air Service, who was murdered by the Provisional IRA, admitted that he and two other men killed a leading Republican south of the border in 1975.

The undercover fight against terrorism in the mid-1970s also allegedly involved co-operation between the Garda and British security forces, which allowed the SAS to operate in the South, and the "running" of three members of the Garda working in crucial border towns. Three officers provided British security forces with information on terrorist suspects living in border areas.

Mr Fred Holroyd, a former captain in military intelligence, and Mr Colin Wallace, a former Army information officer, who led an undercover psychological operations unit, claim a "dirty war" of kidnapping and assassination was used against suspected Republican terrorists and that a dirty tricks campaign was waged against "loyalist" leaders with the aim of discrediting them.

Yesterday Mr Wallace alleged that the rivalry between MI5 and MI6 led to the killing of "10 agents in just one week" and that his superiors in the Army ordered him to cease co-operating with the secret service.

Mr Holroyd said Captain Nairac admitted that he and two other SAS men killed John Green, a Provisional IRA commander who was found dead at an isolated farm house in Co Monaghan on January 10, 1975. Mr Holroyd alleged that Captain Nairac showed him a photograph of the dead man's body.

Captain Nairac, aged 29, who was serving with the Grenadier Guards, was posthumously awarded the George Cross in 1979, two years after he was abducted from the Three Steps Inn at Forkhill, Co Armagh, by at least seven men. He was interrogated about his secret operations in South Armagh before being tortured and murdered.

Mr Holroyd, speaking on a BBC Radio Ulster programme, alleged that the SAS used members of the outlawed loyalist terrorist groups, the Ulster Volunteer Force (UVF) and Ulster Freedom Fighters (UFF) from Portadown to carry out kidnappings and assassinations.

He also said that in 1975 he travelled to Dublin, met Assistant Garda Commissioner Ned Garvey and other senior officers.

He said a number of disparate intelligence bodies had been brought together with the express purpose of "kidnapping and murdering suspected IRA men".

The long-standing allegations made by both men are being examined by the Government and Sir Patrick Mayhew, the Solicitor General, has told the Commons that "active consideration is being given to certain reports that have recently appeared" concerning the two men.

Mr Holroyd says he was forced to resign from the Army in 1976 after objecting to the MI5 "assassination policy".

Mr Wallace, born in Northern Ireland, was released from prison last December after serving just over half of a 10-year sentence imposed in 1981 for the manslaughter of an antiques dealer in Sussex

However, He

Continued

MP go-between in MI5 pay-off

INSIGHT

by Barrie Penrose

A TORY MP is at the centre of a new security row after admitting last night that he had been the go-between for the past year in alleged "hush money" negotiations between the Ministry of Defence and a former British army officer who was an MI6 undercover agent in Northern Ireland.

The officer, Major Fred Holroyd, was forced to resign from the army in 1976 after objecting to an MI5 "assassination policy" against suspected terrorists. After building up terrorist contacts for MI6, he suddenly found they were being killed.

After his protests about the killings, Holroyd was accused of insubordination and emotional instability. He was confined to an army mental hospital for a month but released and told there had been a misunderstanding. Although his commanding officer asked him to withdraw his resignation and resume his duties Holroyd refused and left the army.

Holroyd says that Teddy

Continued on page 3

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New storm over MI5 'hush-money'

CONTINUED FROM P.1

Taylor, the Tory MP for Southend East, visited him and offered to take up his claim for compensation. Taylor last night confirmed he sought compensation for him but denied Holroyd's claim that he had promised to get him £150,000.

Taylor, who was parliamentary under-secretary of state at the Scottish Office under Edward Heath and served in Mrs Thatcher's shadow cabinet, became involved in the Holroyd case in January last year. Holroyd, who lives in Southend, went to Taylor's constituency association, hoping he would take up his case, but was told by the MP's staff that his address was in the neighbouring constituency of Paul Channon.

Later, however, Taylor turned up unannounced at Holroyd's flat. "My wife and I were surprised on how remarkably well briefed he was about our very complicated case," said Holroyd. "Taylor then said he would like to take up our claim."

Taylor, who was once a corporal in the counter-intelligence section of the Territorial Army, told Holroyd he had some useful contacts and "a long experience of dealing with Whitehall ministers".

However, after contacting Lord Trefgarne, a minister of state at the Ministry of Defence, Taylor was told in a letter dated February 28 last year that while there was no personnel record stating that Holroyd was mentally ill "there can be no question of compensation as Holroyd resigned voluntarily in 1976". Trefgarne repeated the point in an April letter.

Despite these apparent rebuffs, Taylor said he was confident he could get compensation and asked Holroyd to list the conditions on which he would agree to settle. In correspondence and talks with Taylor, Holroyd agreed that £150,000 would compensate him for loss of earnings and a house.

"Taylor said that because he was arranging compensation which involved highly sensitive intelligence work the money might have to be paid through a third party," Holroyd claims.

Later a representative from a multinational company visited him and offered him small sums of money, saying it was for "security help" Holroyd could give. He also introduced the ex-officer to the company's chairman who — unbeknown to Holroyd — was married to a serving MI5 officer who had once been assistant to Peter Wright, the man at the centre of the current spy case in Australia.

"Taylor said compensation might be paid through this company, perhaps in £20,000 lumps in order that the money could not be seen to come from the Ministry of Defence," alleges Holroyd.

The bizarre story has several aspects that point to another furore over British security:

● It reveals a bitter power struggle inside British intelligence in Northern Ireland in the mid-1970s in which MI5 was trying to dislodge MI6 from its predominant position in security matters. MI5 was advocating a more robust "shoot-to-kill" policy.

● It throws fresh light on the Peter Wright affair, due to reopen next month in an Australian court. The British government has persistently attempted to ban the publication of Wright's memoirs. Wright's MI5 work in the 1970s included Northern Ireland and overlapped aspects of Holroyd's duties there for MI6 and army intelligence.

Holroyd: claiming cash

● The compensation payment, to be made from a secret fund, is being interpreted as another attempt by the government to head off potentially embarrassing revelations about the intelligence services.

Holroyd, however, has refused to accept any money until there is compensation for another ex-army officer, who was also drummed out of the services after protesting at another side of MI5 policy in Ulster.

That officer, Colin Wallace, also came into contact with Wright and MI5 in Ulster when he was ordered to take part in a "dirty tricks" campaign against the Heath and Wilson governments in the 1970s. Wright, who (as The Sunday Times revealed last November) headed an unlawful MI5 surveillance operation in the same period against Harold Wilson, the then Labour prime minister, makes no mention of Northern Ireland in his manuscript.

Taylor: he offered help

Defence Ministry officials had every reason to want Holroyd to remain silent about his intelligence work. He had first-hand experience of the rift which had taken place inside British intelligence between MI5 and MI6. MI5 believed it could beat terrorism by adopting a tougher policy which, according to Holroyd, included assassinating suspected terrorists. MI6, for whom Holroyd worked, followed a more conciliatory line and one in keeping with British government policy at the time.

Against this fear of disclosure last year, Taylor met Defence Ministry officials, sometimes with an MI5 officer present. He also raised with Trefgarne the fact that a file relating to Holroyd and Wallace had been stolen from his office at the House of Commons. The file was almost immediately handed back to Taylor at his Southend home by an official apparently acting for MI5.

According to Holroyd, Taylor said that while the ministry agreed some of Holroyd's demands, compensation was being held back because Holroyd had linked his case with Wallace's.

Wallace was a key figure in a covert propaganda campaign in Ulster known as psychological operations, or "psyops". Up to 1972 this operation was directed against Republican and Loyalist extremists and local politicians. It involved Wallace handling a stream of MI5 "black propaganda" material, some of it emanating from Wright's activities in London.

Wallace claims that in 1974 he was told to take part in a wider MI5 campaign to smear national politicians, including Heath and Wilson. When he protested, he was moved to a new job in England and finally forced to leave the army in 1976.

Some of the MI5 material Wallace was asked to handle included fake political pamphlets and forged bank accounts, known as "duffs" at MI5 (copies of which are in the hands of The Sunday Times).

Wallace claims that to ensure his silence MI5 "fitted him up" with a false manslaughter charge which led to prison. Wallace, too, is now campaigning to clear his name and seek compensation.

Taylor, who has described Holroyd as a "boy scout, a decent and patriotic chap and truthful" with a "justified grievance" against the ministry, said yesterday that he had "never" promised to get Holroyd £150,000: "There must have been a misunderstanding".

Asked about his meetings with ministry and MI5 officials, he first said: "What meetings?" Then he expressed disappointment that Holroyd had talked about them. He refused to say how Holroyd's stolen file had been returned to him.

Yesterday, Holroyd questioned Taylor at his weekly surgery. According to Holroyd, Taylor again denied he had promised that compensation would be paid. Afterwards the MP telephoned The Sunday Times: "While it is the case that I pressed very hard for a settlement, including compensation, for Major Holroyd, and although the minister did make a number of concessions, which I regard as significant, I must in fairness say that at no time did the minister accept the principle of compensation."

SUNDAY TIMES 22 FEB 87.

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Security: Secret Service
pt 5

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OCT 30 1981

Not before I have seen the relevant papers. MR

Prime Minister Agree to answer questions tomorrow on the lines of Annex B? N.L.W. 2.3

14

Ref. A087/595

MR WICKS

You will have seen the material in today's Daily Express which is a first extract from Nigel West's new book Molehunt.

2. We are briefing separately, in case the Prime Minister is asked questions in the House tomorrow, about the fact that this extract included material whose deletion had been agreed by West. The Daily Express have undertaken to use the amended text in future extracts.

3. Today's extract made much of the allegation that though the story that Sir Roger Hollis was a Russian agent was untrue, his Deputy Director General, Mr Graham Mitchell, was a Russian agent.

4. The Security Service would like to see a statement made by the Prime Minister at an early opportunity, which would do three things:

i. It would confirm that recent defector information has reinforced the conclusion that Sir Roger Hollis was not a spy.

ii. It would say that Graham Mitchell had been very thoroughly investigated, and the firm conclusion reached that he was not a spy either.

iii. It would knock the people who are seeking to make money and notoriety out of writing about security matters, and the Security Service in particular, and would defend the Security Service.

--- 5. A statement on these lines is attached as Draft A below.

6. A statement on these lines would be too long for an answer to a supplementary question. More to the point, however, it is not

easy to revert to the case of Sir Roger Hollis, or to the defector information about that case, while the Wright case is still sub judice in Sydney. The allegation that Hollis was a spy was of course a major feature in Wright's book; and the information I gave to the court about defector evidence since the Prime Minister made her statement on 26 March 1981 was given in camera. There may well come a time when it would be convenient and right for the Prime Minister to make a fuller statement, both about the allegations against Hollis and Mitchell and also about her confidence in the Security Service. For the present, however, my advice would be that she should not go beyond what she has already said about Sir Roger Hollis. I think, however, that she could well say that Graham Mitchell was thoroughly investigated, with the conclusion that he was not a spy. Mr Mitchell has died; he behaved very honourably about these matters while he was still alive, and the allegation will cause considerable distress to his family and his former colleagues. I think therefore that it would be right for the Prime Minister to deal, reasonably briefly, with the allegations about him.

7. An answer to a question about Mitchell might thus be on the --- lines of the statement attached as Draft B.

8. I am sending copies of this minute and the draft statements to the Private Secretaries to the Home Secretary and the Solicitor General; and to the Director General of the Security Service and the Treasury Solicitor.

Trevor Woolley

pp ROBERT ARMSTRONG

2 March 1987

Statement - Draft A

I made a statement to the House on 26 March 1981 about allegations against Sir Roger Hollis. I told the House then that the investigation into these allegations had concluded that he had not been an agent of the Russian Intelligence Service. Extracts from a book by Nigel WEST which appeared in a national newspaper yesterday peddle the line that it was Mr Graham Mitchell, a former Deputy Director General of the Security Service, and not Sir Roger Hollis who was the spy. I can tell the House today that the allegations against Mr Mitchell had also been investigated and the conclusion reached that they also were unjustified.

Since I spoke to the House in March 1981 further information has become available from a number of important Russian Intelligence officers, both KGB and GRU, who have defected to the West.

I can tell the House that the information they have provided has enabled us to reach the firm conclusion that neither Sir Roger Hollis nor Mr Graham Mitchell was a spy. The information said to justify suspicion of them does not provide grounds for suspecting that there were any other spies.

The Russian Intelligence Officers to whom I have referred have, furthermore, told us about the satisfaciton derived by their Services from the allegations made in the West about Sir Roger Hollis. They have said in particular that the KGB considered that the publicity given to those allegations had served KGB purposes better than anything which they themselves could have arranged.

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In conclusion I wish to deplore the conduct of those individuals who, with a show of regard to the public interest, make a living and a virtue out of parading allegations about distinguished public servants who cannot defend themselves. In doing so they damage that public interest which they purport to defend. This House has a duty to defend those who have been unjustly accused and should be grateful to the dignity and patience with which their families have endured these accusations.

Mr Speaker, in these last few months, we have seen a sustained campaign of vilefication of the security and intelligence services, and the Security Service in particular, based on sensational and unsubstantiated allegations, which owe as much to malicious invention as to the fertile imagination of those who mount it. I do not propose to break the essential rule of not commenting on specific matters. But I would say that this campaign is insulting and discouraging to a Service in whose integrity and loyalty my colleagues and I have complete confidence - and indeed any Government of whatever persuasion may have the same confidence. The Security Service is a highly responsible organisation, thoroughly conscious of its proper role and scrupulous to stay within it.

DRAFT B

It has been the practice of successive Governments neither to confirm nor deny stories and allegations of this kind, and I intend to continue as a rule to follow that practice. I thought it right to depart from that practice in relation to the allegations about Sir Roger Hollis in the statement I made in the House on 26 March 1981. In that statement I said that there had been a very thorough investigation of Sir Roger Hollis, the conclusion of which had been that he was not an agent of the Russian Intelligence Service. A story in yesterday's papers suggested that, though Hollis was not a Russian agent, his Deputy Director General, Mr Graham Mitchell, was. I think it right to tell the House that the possibility that Mr Mitchell was a Russian agent was no less thoroughly investigated over a considerable period of time, and the investigation led to the clear conclusion (about which Mr Mitchell was informed) that he was not and had not been a Russian agent. I can also tell the House that no evidence has come to light since the investigations which would tend to invalidate either of those conclusions.

I should not think it right to say any more about these matters, at any rate so long as the Peter Wright case in Sydney continues.

Prime Min

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Ref. B.088

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

MR ADDISON

cc: Sir Antony Duff
Sir Brian Cubbon
Mr Bailey
Mr Saunders
Mr Boys Smith
Mr Woolley

Prime Minister's Questions, 3 March: Book by Nigel West: "Molehunt"

The Daily Express today published the first of four long excerpts from West's book, which itself is to be published in ten days' time. Sir Robert Armstrong, in a separate minute to Mr Wicks, has suggested a line which the Prime Minister could take on the main feature of the excerpt - the suggestion that the late Graham Mitchell of the Security Service was a spy.

3. When the Secretary of the Defence, Press and Broadcasting Committee raised with West's publisher this breach of the agreement on deletions from the book, the publisher said that the amended manuscript, taking account of the deletions, had been sent to the Daily Express for use in the serialisation.

SECAAZ

Prem 19/2504

Minute dated
02.03.87

The Daily Express, who are very apologetic, say that they used the unamended manuscript by mistake. Tomorrow's excerpt was to have included far more sensitive material, namely excerpts from the "Symonds Report" of 1963, which formed part of the investigation of Graham Mitchell. The Daily Express have undertaken that tomorrow's instalment and the last two will not include this material or any other which West agreed to delete.

4. West and his publisher and the Daily Express know that today's excerpt violates the agreement on deletions, and in what way. This will no doubt become known to Members of Parliament. The Prime Minister may therefore wish to refer to it if she is asked at Question Time on 3 March about the book. The attached notes for use at Question Time incorporate the point.

5. Officials are considering whether any action can be taken against West or the publisher on the breach of the agreement on deletions. To seek damages would probably not be appropriate, since the harm done by the breach is not quantifiable in money terms. An action for an account of profits from the serialisation might be for consideration. We could adduce the breach of the agreement on deletions. But the profits will probably not be greater because of the breach, and we could not argue that the three items published were important - the two names have been published before. An action would give the three items extra publicity. Officials will report on these matters as soon as possible.

C L G Mallaby

2 March 1987

SECAAZ

Prime Minister's Questions: 3 March

Nigel West's Book, "MOLEHUNT"

General

West submitted his manuscript to officials and agreed, following discussion, to remove material which the Government considered could have damaged national security or was clearly derived from a breach of confidence by a present or former public servant.

The Government made absolutely clear to West that it neither authorised publication of the book nor gave any kind of approval. Publication of books of this sort is most regrettable. So are allegations which are directed against people who have died and so cannot defend themselves and which must cause great distress to the families concerned.

~~Thus~~. I am ~~advised~~ told ~~that~~ this was the result

Apparently ~~because of a subsequent misunderstanding~~ not in~~volving the Government~~, I am advised that several specific matters which West had agreed to delete appeared in the instalment of the book in the Daily Express on 2 March. The Daily Express have undertaken that subsequent instalments will not include material deleted from the book.

Any Government assistance in the book's preparation?

In preparing the book, West received no information from anyone in the service of the Crown.*

*(For background) West obtained permission from HMSO to reproduce the 1955 White Paper on Burgess and Maclean and - as he indicates in his Acknowledgements - received routine guidance, such as is available to any author or publisher, from the Secretary of the D Notice Committee.

SECABA

Why no injunction against publication?

Since West submitted the manuscript and accepted deletions, there were no legal steps the Government could take to prevent publication of the book.

This is not a case of an author who is a former public servant.

Investigation of West

The Attorney General announced on 20 November 1986 that the Director of Public Prosecutions had asked the Metropolitan Police to investigate the reported statement by West that he possessed various Security Service documents. That investigation continues. I repeat however that all material which the Government considered could have damaged national security, or was clearly derived from a breach of confidence, has been removed from this book. although not from the sensitisation

SECABA

file

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10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

PETER WRIGHT CASE (OD(DIS)(87) 11)

I have shown the Prime Minister this paper which reports that there have been indications that efforts are being made to sell Wright's manuscripts to newspapers in North America for early serialisation.

The Prime Minister has asked to be kept closely informed of any developments on this front.

(N.L. WICKS)
2 March 1987

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Parliament
Carlisle.

Told Chief Whip
NLW
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PRIME MINISTER

The Channel 4 programme 20/20, are planning a programme on the Wright case on the day Mr Justice Powell delivers his judgment (thought to be on 12 March). Participants in the discussion are said to include Lord Scarman, Mr Kaufman, Mr Roy Jenkins, Mr Malcolm Turnbull (presumably from Australia). Sir Robert Armstrong has been asked to appear and has refused.

It is clearly important for the Government's viewpoint to be given full weight in the discussion. The Chief Whip is thinking of Mr Ivan Lawrence, as a good advocate, and Mr Michael Mates, as Chairman of the Defence Select Committee. They could be briefed by the Cabinet Office. Good names, but neither of them have the weight of Lord Scarman and Mr Jenkins. Sir Ian Percival is a possibility, but he is not strong in the cut and thrust of TV debate. The only ex senior Ministers with any expertise in this area are Mr Brittan and Mr Heseltine, with the latter being much the better TV performer. But there are certain, though not impossible, difficulties about asking either of them. Who do you think?

N.L.W.

N.L. Wicks
27 February 1987

Geoffrey Ripon would be the best.

[Lord Carr - a former Home Secretary]

Julian Amery

MJ2ASL

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RESTRICTED

Prime Minister

Ref. A087/525

MR WICKS

There are indications that a Sunday Times Insight team is trying to build up a story about alleged conspiracies to mount political destabilisation operations, which would include the allegations that MI5 were involved in a plot to destabilise Mr Wilson's Government in 1974 and 1975. Any such story would no doubt re-hash the old account of the meeting in 1968 attended by Mr Cecil King, Mr Hugh Cudlipp, Sir Solly Zuckerman and Lord Mountbatten, at which Mr Cecil King is said to have proposed a political coup which should unseat Mr Wilson and his Government and replace it with a regime led by Lord Mountbatten.

2. There is also another old story about an approach to a former Chairman of the Cunard Steamship Company, Sir Basil Smallpeice, in connection with a plot to confine Mr Wilson and his Ministers on board Queen Elizabeth II and replace them with some other administration.

3. Whether the Sunday Times Insight team will be able to put this all together into a story which carries any kind of conviction seems to be rather doubtful.

RA

ROBERT ARMSTRONG

26 February 1987

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Prime Minister 12

Ref. A087/534

MR WICKS

A journalist named Norman Moss has written a book about Klaus Fuchs, who betrayed atomic secrets to the Russians during and immediately after the war.

2. Mr Moss claims to have had access to the interviews of Klaus Fuchs which were carried out by a member of the Security Service. This may well be true. A large quantity of material about the Fuchs' case was inadvertently released to the public in the Truman Library in Missouri. The material included copies of some of Fuchs' interviews with the Security Service which had been provided to American liaison at the time. The material was withdrawn from the Truman Library by the FBI in 1984, but it seems likely that Mr Moss had seen it before it was withdrawn.

Have we made any enquiries? Is it advisable to do so?

RTA

ROBERT ARMSTRONG

26 February 1987

Prime Minister

Enquiries have not been made.

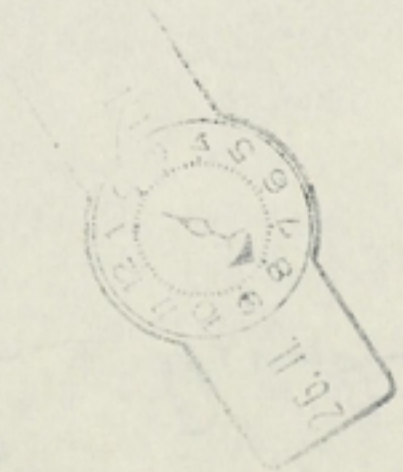
But it does seem fairly certain that Moss has been in contact with someone who almost certainly saw the relevant Truman records.

N.L.W.

3.3

SECRET

SECAAV



26.11.

file JD3AVK OD (DIS) = LPO FCO HO MOD LOD

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

26 February, 1987.

Dear John,

OD(DIS)(87)9: WALLACE AND HOLROYD

The Prime Minister has seen a copy of OD(DIS)(87)9 with officials' views on what action should be taken regarding allegations by Wallace and Holroyd concerning Northern Ireland.

The Prime Minister agrees that no action should be taken in this case and that the Government should take a dismissive line of the kind suggested in paragraph 10 of the paper. The Solicitor General's agreement was conveyed in Michael Saunders' letter of 24 February. I understand that the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary, the Defence Secretary and the Northern Ireland Secretary have also agreed.

The Prime Minister also agrees with the line to take about consistency with the Peter Wright case which was suggested by the Solicitor General and set out in Saunders' letter.

The way is thus clear for the Solicitor General to announce that the Government, having considered the matter, will take no legal action against Wallace and Holroyd. In order to give the impression that this was an easy decision, action should presumably be taken as soon as possible.

The Prime Minister suggests that the dismissive comments foreseen in paragraph 10 of the officials' paper should not be made by herself but rather by the Defence Secretary or, if he prefers, by another Ministry of Defence Minister. This should appropriately be done as soon as possible after the Solicitor General's announcement that there will be no legal action.

Finally, the Prime Minister understands that Mr. Terence Higgins, Chairman of the Treasury and Civil Service Select Committee, has told Mr. Freeman, Parliamentary Under Secretary of State, Ministry of Defence, that his Committee are on the verge of opening enquiries

JB

into Wallace and Holroyd's allegations. The Lord Privy Seal should urgently tell Mr. Higgins, on the basis of further briefing from MOD, the Government's views on the allegations.

I am sending copies of this letter to the Private Secretaries to other members of OD(DIS), the Private Secretary to the Lord Privy Seal, and to Michael Saunders, Christopher Mallaby and Trevor Woolley.

Yours ever
Nigel Wicks

N.L. Wicks

John Howe, Esq.,
Ministry of Defence.

Prime Minister

Action this day

You were content, I think, with the recommendations in § 10 of the OD (DIS) paper below.

Agree I should now write as in the draft below?

MR WICKS

The reason for the second sentence of paragraph 5 of the attached draft letter is that, if MoD were slow, the Prime Minister would be more likely to receive questions first.

N.L.W.
25.2

C L G Mallaby

25 February 1987

AVV

CONFIDENTIAL

Draft letter from Nigel Wicks to

John Howe Esq OBE, Ministry of Defence

OD(DIS)(87)9: Wallace and Holroyd

The Prime Minister has seen a copy of OD(DIS)(87)9 with officials' views on what action should be taken regarding allegations by Wallace and Holroyd concerning Northern Ireland.

2. The Prime Minister agrees that no action should be taken in this case and that the Government should take a dismissive line of the kind suggested in paragraph 10 of the paper. The Solicitor General's agreement was conveyed in Michael Saunders's letter of 24 February. I understand that the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary, the Defence Secretary and the Northern Ireland Secretary have also agreed.

3. The Prime Minister also agrees with the line to take about consistency with the Peter Wright case which was suggested by the Solicitor General and set out in Saunders's letter.

attached

CONFIDENTIAL

4. The way is thus clear for the Solicitor General to announce that the Government, having considered the matter, will take no legal action against Wallace and Holroyd. In order to give the impression that this was an easy decision, action should presumably be taken as soon as possible.

5. The Prime Minister suggests that the dismissive comments foreseen in paragraph 10 of the officials' paper should not be made by herself but rather by the Defence Secretary or, if he prefers, by another MoD Minister. This should appropriately be done as soon as possible after the Solicitor General's announcement that there will be no legal action.

9. I am sending copies of this letter to the Private Secretaries of the other members of OD(DIS), and to Michael Saunders, Christopher Mallaby and Trevor Woolley.

the Private Secretary to the Lord Privy Seal

6. Finally, the Prime Minister understands that Mr Terence Higgins, Chairman of the Treasury and Civil Service Select Committee, has told Mr Freeman, Parliamentary Under Secretary of State Ministry of Defence, that his Committee are on the verge of opening enquiries into Wallace and Holroyd's allegations. The Lord Privy Seal should urgently tell, on the basis of further briefing from MoD, ~~the~~ Mr Higgins the Government's views on the allegations.

M.L. SAUNDERS
LEGAL SECRETARY

LAW OFFICERS' DEPARTMENT
ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

CONFIDENTIAL

C Mallaby CMG
Cabinet Office
70 Whitehall
London SW1

24 February 1987

Dear Christopher,

WALLACE AND HOLROYD

The Solicitor General has seen OD(DIS)(87)9. He agrees with the recommendation in paragraph 10. As regards the consistency with the Wright case, however, the Solicitor General would suggest that our position should be that the Crown has a discretion whether to apply for an injunction, itself a discretionary remedy. It decides in the circumstances of each case whether the duty of confidentiality should be enforced by seeking an injunction. In this case, given the fact that Holroyd and Wallace have made a number of allegations over the years, all of which have been investigated and found to be unsubstantiated, the public interest does not require that action be taken.

I am copying this letter to the Private Secretaries of Members of OD(DIS) and to Trevor Woolley.

Yours ever,

Michael.

M L SAUNDERS

CONFIDENTIAL

AM87
7 6 5 4

00

NBPM

QUEEN ANNE'S GATE
LONDON SW1H 9AT

24 February 1987

Dear Christopher,

OS(DIS)87(8): AN AFFAIR OF STATE

WILL REQUEST IF REQUIRED

I wrote to you yesterday recording the Home Secretary's reaction to the recommendation in OD(DIS)87(8).

The Home Secretary has reflected further on this matter. He recognises that the first of the steps proposed in paragraph 9(b) of the paper - an approach to the publisher by the Secretary of the DPBC - would not of itself attract publicity and would not therefore be inconsistent with his concern that nothing should be done which would add to the book's readership. He is therefore happy that this action should be taken, subject to matters being referred again to Ministers in the light of the publisher's reaction or any other developments which suggest the matter might be put into the public domain.

Copies of this letter go to the Private Secretaries to members of OD(DIS) and to Trevor Woolley (Cabinet Office).

Yours,
Stephen

S W BOYS SMITH

C Mallaby, Esq.,

AM87
25 JUN

CONFIDENTIAL

OD(DIS)
LPO
FCS
HS
Def
AMG

10 DOWNING STREET

From the Principal Private Secretary

24 February 1987

Dear Stephen,

AN AFFAIR OF STATE OD(DIS)(87)8

The Prime Minister has read the note by officials circulated under cover of OD(DIS)(87)8 which sets out officials' recommendation for dealing with this book about the Profumo affair.

The Prime Minister agrees that the Secretary of the D Notice Committee should write as recommended in paragraph 9b of this paper. The Prime Minister would wish Ministers then to take careful stock of the position before deciding on any further action.

I am sending a copy of this letter to the Private Secretaries to members of OD(DIS), Sir Robert Armstrong and Mr. Mallaby.

Yours ever
Nigel Wicks

(N. L. WICKS)

Stephen Boys Smith,
Home Office.

CONFIDENTIAL

010

With the Compliments of

the Legal Secretary

Attorney General's Chambers,
Law Officers' Department,
Royal Courts of Justice,
Strand, W.C.2A 2LL

01-936 6291

M.L. SAUNDERS
LEGAL SECRETARY

LAW OFFICERS' DEPARTMENT
ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

CONFIDENTIAL

C Mallaby Esq. CMG.,
Cabinet Office
70 Whitehall
London SW1

23 February 1987

Dear Christopher,

"AN AFFAIR OF STATE"

The Solicitor General has seen OD(DIS)(87)8. He agrees with the assessment that there is no basis at present for successful legal action against the book or the film and with the recommendations in paragraph 9 of the paper.

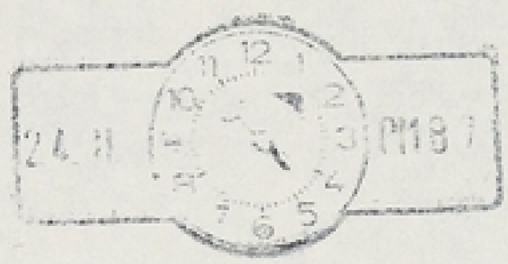
Copies of this letter go to the Private Secretaries to Members of OD(DIS) and to Trevor Woolley (Cabinet Office).

Yours ever,

Michael.

M L SAUNDERS

CONFIDENTIAL


24.11
PM

PRIME MINISTER

AN AFFAIR OF STATE

You asked for the Law Officers' view on the recommendations on the paper below. The Solicitor General agrees with the approach suggested as do other Ministers. The Home Secretary is, however, very wary about any course which would simply give the book publicity and add to its readership. He does agree that the Secretary of the D Notice Committee should write as recommended in paragraph 9~~6~~b of the paper. He wants Ministers then to take careful stock of the position before deciding on further action.

Agree that the Secretary of the D Notice Committee should write as suggested in paragraph 9~~8~~b?

N.L.W

Yes MT

NLW
23 February 1987

Britain is now leaner and fitter

any accounts. For a period of, y, five years the effect on research should be a key co eration in permitting me s and takeovers.

Mrs Thatcher will rightly be nervous of state coordination of research effort. The task is to find a mechanism that suits the British character. In Japan the government summons private companies together, arrives at an industrial priority, provides substantial funds for a limited period and then lets them compete. It may not be the perfect model for Britain but it must be better than open ended cost-plus research contracts.

The House of Lords Committee called for a cabinet minister for science to take the responsibilities now divided between several different Whitehall departments. The Government could fairly easily concede this but it could just as easily turn out a palliative appointment like that of the minister for the arts.

Far more important is the second suggestion of a Council on Science and Technology chaired by the Prime Minister and with a secretariat in the Cabinet Office. The promotion of innovation should be a central priority running through all government activities, similar to the search for expenditure savings.

Public purchasing should, for the first time, be viewed as a means of helping companies develop commercial projects. The Government should not recoil from sometimes being partner rather than client. Departmental policies should be developed in the knowledge that research and development resources, like tax revenues, are scarce.

To see the demands of the future, and, by seeing, meet them, is a prime duty of government. Britain has to change the way it sees science. Its government has to help create that new vision. It has to act upon it without rancour over past failures and without the dogmas of past success in other fields. The Prime Minister has a unique opportunity to set the agenda for the future as she has changed the agenda of the past. She has the unique responsibility too.

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difficult to see how any

Teachers' pay

From the General Secretary of NAS/UWT

Sir, Your editorial, "End of terms" (February 12), asserts that Mr Baker proposes a new promotion structure. Mr Baker does no such thing. He simply ignored the fact that the needs of the schools as pupil numbers decrease must be different in management terms from those which existed when pupil numbers were rapidly increasing.

You also say that teachers have "plumped for" the option of having Mr Baker impose his mistaken ideas. The teachers have done no such thing. In combination with their local authority employers, the teachers have proposed a package which a majority of those concerned believe will solve the problems of the schools. Mr Baker has wilfully rejected that package and, having done so, he proposes to play the part of dictator.

You also suggest that the teacher unions are trying to take the money and reject what you call the strings. Again you ignore the facts. The package proposed by Mr Baker is a combination of money and strings.

Is it not ironic that two or three years ago we had Mrs Thatcher advocating free trade unionism in Poland and we now have Mr Baker taking a further step towards the supression of free trade unionism in Britain? Is it not odd that we should observe a trend towards freedom and democracy in the USSR coupled with an anti-democratic trend on the part of the Government of our own country?

Yours faithfully,
FRED SMITHIES,
General Secretary,
National Association of Schoolmasters/Union of Women Teachers,
22 Upper Brook Street, W1.
February 12.

Hotel ratings

From the Chairman of Trusthouse Forte plc

Sir, Kleinwort Grieveson's "performance league table" of UK hotels (report, February 12) does not compare like with like.

The data used for Trusthouse Forte refers to some 200 hotels ranging from the 22-bedroom Golden Fleece in Thirsk to the Grosvenor House in London. The Savoy figure, with which a comparison is made, is based only on four five-star properties in London.

If the Kleinwort Grieveson formula is applied to our four top London hotels (Grosvenor House, Hyde Park, Brown's and the Westbury), we obtain an "efficiency rating" well in excess of the Savoy.

The formula does not take into account profits, and here the figures speak plainly for themselves. In the year examined, for instance, Grosvenor House alone made more profit than all four Savoy London properties combined.

When comparing like with like, the return on turnover of our five-star properties in London is more than twice the very average 17 per cent reported by the Savoy in 1985, to date their best-ever year.

You also omit to report Kleinwort Grieveson's conclusion that "whatever (Trusthouse Forte) turns its hand to it is normally the market leader within a short space of time".

Yours faithfully,
CHARLES FORTE, Chairman,
Trusthouse Forte plc,
86 Park Lane, W1.
February 12.

Questionable recall

From the Managing Director of BBC Television

Sir, Woodrow Wyatt's letter of February 14 asserting that we are making a programme about Christine Keeler and John Profumo is simply not true.

We are making a documentary based on a book soon to be published and serialised in *The Sunday Times* concerning the case of Stephen Ward. It has nothing to do with ratings.

It is a serious examination by serious journalists of a possible miscarriage of justice. Nobody — not even Woodrow Wyatt — should be alarmed at that.

Yours faithfully,
BILL COTTON,
Managing Director,
BBC Television,
BBC Television Centre, W12.
February 16.

Threat to birds

From Mr L. R. Lewis

Sir, I am surprised that the President of the Country Landowners' Association (February 13) should believe that unkempt scrub is not good for naturalists. Of the habitat types I have studied in this district it tends to be the richest in bird species and, since birds are towards the top of the food chain, that implies healthy populations of insects and other forms.

One has only to do a transect across the scrub of one of our local commons into dense woodland on its sides to demonstrate the dramatic fall-off in bird numbers and diversity on entering the woodland.

Yours faithfully,
L. R. LEWIS,
2 Christopher Court,
Newbury, Berkshire.
February 13.

Soprintendenza Archeologica
l'Etruria Meridionale,
Museo di Villa Giulia,
00196 Ple di Villa Giulia 9,
Rome, Italy.
January 28.

Colour in the news

From Mr John Clench

Sir, I should like to comment on Professor Hugh Stephenson's very interesting article (February 4) on the freedom of the Press in relation to whether there should be any restrictions on reporting which are not already covered by the Race Relations Act.

Many people now assume that most of the muggers in Brixton and like places are black. This in fact may not be true, but it seems to me indefensible to restrict the relevant information to the police files.

Of course there is resentment over the vast influx of coloured immigration since the war, but such resentment can only be fuelled by the very prevalent suspicion that the facts relating to these problems are being withheld as a deliberate policy.

It should not be forgotten that politicians like a quiet life when comes to trying to settle any real tricky problem and it took a very long time after the war for the major parties to break their agreement to keep immigration questions out of the elections.

Therefore, give us all the information. If it was a fact, for example, that a disproportionate number of Swiss citizens were found to be involved in financial fraud in this country the public should be told about it and decide what, if anything, need be done.

Yours faithfully,
JOHN CLENCH,
Stanley Clench & Son Ltd,
54 Addison Road, W14.
February 5.

Controlling avari

From Professor David A. B

Sir, To justify the hyper- increases in remuneratio by managing directors an managers in private co Mr Philip Burnford, Management Consulta (February 10), offers the that these are needed to international competitio

By the same criterion managers of our Natio pany — i.e., the Gove now double the remun British university sci prevent the currently a loss of our best tale United States and Eur

Yours faithfully,
D. A. BROWN,
39 Grand Avenue,
Muswell Hill, N10.
February 12.

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...ssional, the US ... Development Briefing, PO Box 625, London NW3 2TZ. £150.

CONFIDENTIAL

From: THE PRIVATE SECRETARY

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

23 February 1987

Dear Christopher,

(OD(DIS)(87)8): "AN AFFAIR OF STATE"

The Home Secretary has seen (OD(DIS)(87)8). He thinks it would be wise to take no action, believing that action would simply add to the book's readership.

Copies of this letter go to the private secretaries to Members of OD(DIS) and to Trevor Woolley (Cabinet Office).

Yours,

S W BOYS SMITH

Christopher Mallaby, Esq

CONFIDENTIAL

CONFIDENTIAL

JA

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

PROCEDURE FOR DEALING WITH UNAUTHORISED PUBLICATIONS

The Prime Minister agrees with the advice, in your minute of 20 February, that the Lord Advocate should receive OD(DIS) papers and be invited to attend meetings as necessary.

I am sending copies of this minute to the Private Secretaries to the Lord President, the Foreign and Commonwealth Secretary, the Home Secretary, the Secretary of State for Defence and the Attorney General.

N.L.W.

(N.L. WICKS)
23 February 1987

CONFIDENTIAL

6

Prime Minister
Agree x ?
N.L.W
20.2
with NLW?
Yes

Ref. A087/466

MR WICKS

Procedure for Dealing with Unauthorised Publications

My minute of 12 December and your reply of 17 December 1986 led to the establishment of OD(DIS) and OD(DIS)(O).

2. The membership of OD(DIS) is -

MS

Prime Minister
Lord President of the Council
Foreign and Commonwealth Secretary
Home Secretary
Secretary of State for Defence
Attorney General.

3. We have found that the Lord Advocate and his Department need to be brought into some of the cases concerning unauthorised publications. In particular, when an injunction is sought in England and Wales, parallel action by the Lord Advocate's Department is likely to be necessary in Scotland. I do not think that the Lord Advocate need be a full member of OD(DIS), since he will not have an interest in all the matters discussed there. But I suggest that in future he should receive OD(DIS) papers and be invited to attend meetings as necessary. If that is agreed, it would be appropriate for the Legal Secretary in the Lord Advocate's Department to receive the papers of OD(DIS)(O) and be invited to attend meetings as necessary.

x

4. I am sending copies of this minute to the Private Secretaries to the Lord President, Foreign and Commonwealth Secretary, Home Secretary, the Secretary of State for Defence and to Mr Saunders in the Law Officers' Department.

RTA

20 February 1987

ROBERT ARMSTRONG

THE NATIONAL ARCHIVES

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 2504 (one piece/item number)	Date and sign
Extract details: Folio 11 Minute from Armstrong to Wicks dated 17 February 1987	
CLOSED UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	19/9/2023 CWayland
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
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SECRET

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OD(DIS)
LPO
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Def
A/G

8pm
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10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

NEW BOOK BY NIGEL WEST : "MOLEHUNT"

The Prime Minister has seen your minute of 12 February about the possibility of an approach to West in an attempt to dissuade him from publishing his new book "Molehunt". She has also seen letters from the offices of the Foreign Secretary, Lord President, Home Secretary, Solicitor General and the Chancellor of the Duchy of Lancaster.

The Prime Minister does not think that there should be an approach to West by a Government Minister. Nor should there be an approach at present to West by Mr. Tebbit acting in a Party capacity.

I am sending a copy of this letter to the Private Secretaries to members of OD(DIS), the Chancellor of the Duchy of Lancaster, to Michael Saunders (Law Officers Department), Sir Antony Duff and the Treasury Solicitor.

N.L.W.

(N. L. WICKS)
17 February 1987

SECRET

9A

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~830 7022~~ 218 2111/3

MO 20/1(B)L

16th February 1987

NWBM

Dear Nigel,

NEW BOOK BY NIGEL WEST: "MOLEHUNT"

The Defence Secretary has seen Sir Robert Armstrong's minute of 12th February to you and your letter of 13th February to Stephen Boys-Smith and feels that it would be better not to approach Mr West. It would be open to misinterpretation and would not, he feels, achieve its object.

Yours sincerely

Jonathan Ball

for (J F HOWE)
Private Secretary

Nigel Wicks Esq
10 Downing Street

9

PRIME MINISTER

NEW BOOK BY NIGEL WEST, "MOLE HUNT"

When you saw Sir Robert Armstrong's minute at Flag A about a possible approach to West to dissuade him from publishing "Mole Hunt", you said that you thought an approach would be unwise, but wanted to have colleagues' views before finally deciding. Colleagues have minuted as follows.

The Foreign Secretary (at Flag B) believes an approach by the Government would be counter productive. Nor does he favour at this stage an intervention on the Party network to prevent publication.

The Lord President (at Flag C) is against an approach.

The Home Secretary (at Flag D) believes that West should be told, probably in writing by the Chancellor of the Duchy, that even though passages requested have been removed, the government still regrets publication.

The Solicitor General (at Flag E) is against an approach since this would probably generate more trouble than it is intended to avoid.

The Chancellor of the Duchy (at Flag F) believes it unwise for an approach to be made to West by a Government Minister. But he is inclined to propose that he should speak to him in his Party capacity.

There is a clear consensus against an approach by a Government Minister. Agree? Yes

There are mixed views on whether Mr. Tebbit, as Chairman of the Party, should speak to him, with a majority against an

approach at this stage though I do have to say that Mr. Tebbit puts forward, in my view, a strong case for his speaking in his Party capacity to West. What do you think? Do you want Mr. Tebbit to speak to West as he suggests at Flag F?

No - not at present
MT

N.L.W.

NLW

16 February 1987

JA1BFX

8

Foreign and Commonwealth Office

London SW1A 2AH

16 February 1987

Dear Nigel,

New Book by Nigel West: "Molehunt"

In his minute of 12 February to you the Cabinet Secretary drew attention to the difficulties implicit in an approach to Nigel West seeking to dissuade him from publishing his new book. Sir R Armstrong nevertheless suggested certain points that might be made in any such approach.

Naturally the prospect of this book remains unwelcome but the Foreign Secretary inclines to the view that an approach to West on the lines envisaged is likely to be counter-productive. As Sir Robert Armstrong points out, the purpose of an approach would be to enable the Government to say, after the event, that it had been made. But there would be certain penalties. Having negotiated with West and agreed certain deletions from the book on the grounds of national security we should no doubt be accused of bad faith if we now took active steps to prevent publication. That would hardly encourage others with whom we might in the future wish to negotiate similarly.

Given that "Molehunt" is already with the printers a last ditch attempt at ministerial level to prevent publication would attract particularly widespread publicity and the almost certain failure of the attempt would be similarly spectacular.

Sir Geoffrey Howe shares his colleagues' continuing sense of dismay that West should remain in a prominent, embarrassing (and irritating) position as a Conservative Party prospective Parliamentary Candidate. There may, in due course, be other ways of securing a change in that state of affairs. But he does not believe that even in that respect it would be helpful at this stage to make an intervention designed to prevent the publication of the book.

Apart from reiterating to West and his publishers that the Government in no way authorises or approves the manuscript even after the deletions, Sir Geoffrey Howe considers that realistically we have now done all that can reasonably be done to minimise the impact of "Molehunt", and that we should not dignify it further.

I am copying this letter to members of OD(DIS), Michael Saunders, Sir Antony Duff and the Treasury Solicitor.

Yours ever,

Tony Galsworthy

(A C Galsworthy)
Private Secretary

N L Wicks Esq CBE
10 Downing Street

SECURITY

WRIGHT

PTS

7

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

16 February 1987

Dear Nigel,

The Lord President has seen your minute of 13 February to Stephen Boys Smith about Nigel West's new book, "Molehunt". He has commented that, on balance, he would be against any approach to Mr West.

I am sending a copy of this letter to the Private Secretaries to the members of OD(DIS), the Chancellor of the Duchy of Lancaster, Michael Saunders (Law Officers' Department), Sir Antony Duff, the Treasury Solicitor and Sir Robert Armstrong.

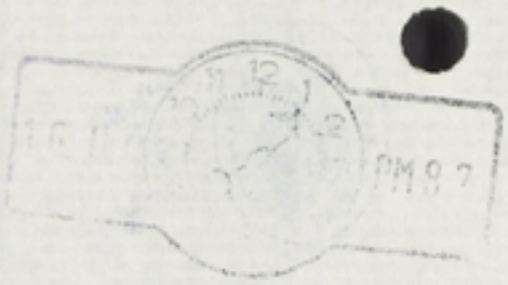
Yours sincerely

Joan.

JOAN MACNAUGHTON
Private Secretary

Nigel Wicks Esq

Security: Wright PT 5



From: THE PRIVATE SECRETARY

6

SECRET

HOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

16 February 1987

Dear Nigel,

NEW BOOK BY NIGEL WEST: "MOLE HUNT"

The Home Secretary has seen Sir Robert Armstrong's minute of 12 February to you, and your letter of 13 February to me.

The Home Secretary thinks that Mr West should be told, probably in writing by the Chancellor of the Duchy, that when the book comes out the Government will take the line that even though the passages requested have been removed it still regrets publication. The reasons for this view might be given as those set out in the annex to Sir Robert's minute.

I am sending copies of this letter to the Private Secretaries to member of OD(DIS), to Michael Saunders (Law Officers' Department), Sir Antony Duff, the Treasury Solicitor, and Trevor Woolley (Cabinet Office).

Yours,

S W BOYS SMITH

Nigel Wicks, Esq.,

SECRET

SECRET

5

ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

~~01-405 7641 Extn~~
01-936 6494

16 February 1987

N L Wicks Esq
10 Downing Street
London SW1

Dear Nigel,

NEW BOOK BY NIGEL WEST: "MOLEHUNT"

The Solicitor General has seen Sir Robert Armstong's minute of 12 February to you and your letter of 13 February to Stephen Boys Smith. He has commented that in his opinion an approach to Nigel West would probably generate more trouble than it is intended to avoid. His preference would be that no approach be made.

I am copying this to the Private Secretaries to the other members of OD(DIS) and the Chancellor of the Duchy of Lancaster, to Sir Anthony Duff, the Treasury Solicitor and Sir Robert Armstong.

Yours sincerely,

Anthony Inglese

A M C INGLESE

SECRET

Security; Wight PTS

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SECRET

4

CABINET OFFICE,
WHITEHALL, LONDON SW1A 2AS

Chancellor of the Duchy of Lancaster

Tel No: 270 0020
270 0296

13 February 1987

Nigel Wicks Esq CBE
Principal Private Secretary to the
Prime Minister
No 10 Downing Street
LONDON
SW1

Dear Nigel,

NEW BOOK BY NIGEL WEST: "MOLEHUNT"

Thank you for the copy of your letter of 13 February to Stephen Wood.

The Chancellor of the Duchy has seen Sir Robert Armstrong's minute of 12 February to you. He considers that the considerations as set out in Sir Robert's minute make it clear that it would be unwise for an approach to be made to Mr West by a Government Minister.

If, however, the Chancellor were to speak to Mr West in his party capacity, several of these considerations are affected. In particular, the objection that the publishers, Weidenfeld and Nicolson, might approach the Government for compensation would not apply.

Further, the question of criticism in relation to any current police investigation would also diminish, since Mr Tebbit as Chairman plays no part in such matters.

Since there is a discernible party interest in the controversy likely to surround the publication of Mr West's book, not least in relation to his Parliamentary candidature, and the objections are reduced in the case of an approach by him in a party capacity, the Chancellor would be inclined to propose that he should speak to Mr West. He would, of course, make it clear that he does so in that capacity, and not as a Government Minister, although he could make reference to the views of Ministers on the book as well as the points he would wish to make as Party Chairman.

I am sending a copy of this letter to the private secretaries to the members of OD(DIS), to Michael Saunders (Law Officers' Department), Sir Anthony Duff, the Treasury Solicitor and to Sir Robert Armstrong.

Yours sincerely

Andrew Lansley

ANDREW LANSLEY
Private Secretary

Security: Wright PT5

16 JUL 1987

SECRET

3 FILE DG

cc HO Box
FCO Treas. Sol.
MOD RTA
NOD
CDL

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

13 February 1987

Dear Stephen,

NEW BOOK BY NIGEL WEST: "MOLEHUNT"

The Prime Minister has seen Sir Robert Armstrong's minute of 12 February to me on this matter.

The Prime Minister wishes to await the views of her Ministerial colleagues before coming to a final view on the possibility of an approach by a Minister to Mr. West about his forthcoming book. But her initial inclination is to think that an approach would be unwise.

I should be grateful if you and the other recipients of this letter could arrange for me to have, by 1600 on Monday, your Ministers' views on the matters raised in Sir Robert Armstrong's minute.

I am sending copies of this letter to the Private Secretaries to the other members of OD(DIS), the Chancellor of the Duchy of Lancaster, to Michael Saunders (Law Officers' Department), Sir Antony Duff, the Treasury Solicitor and Sir Robert Armstrong.

Yours ever

Nigel Wicks

N. L. Wicks

Stephen Boys Smith, Esq.,
Home Office.

SECRET

Prime Minister

Yes - but I think we would be wrong to make an approach — Await views of other Ministers before deciding whether an approach should be made to Mr West?

N.L.W.
12.2.

Ref. A087/379

MR WICKS

New Book By Nigel West, "Molehunt"

The question was raised at OD(DIS) on 11 February of whether a Minister, perhaps the Chancellor of the Duchy of Lancaster, should speak to Mr West in an attempt to dissuade him from publishing his new book, "Molehunt". Officials were asked to advise on:

a. whether the Minister should speak in a Government or a party capacity;

b. the points that the Minister might make.

2. The Government has secured the deletion from the book of all material on the basis of which we could seek an injunction to restrain publication. It would therefore be difficult to approach Mr West on the basis of national security. The basis would rather be the wider one of national interest. If West's interests as a Conservative Parliamentary candidate were to be raised as well, any approach should, I suggest, be made by the Chancellor of the Duchy of Lancaster in his party capacity.

3. There must be very little chance that West would agree to stop the book, which is already with the printers. The main purpose of the approach would therefore be to enable the Government to say after publication that it had been made. The question is whether this purpose would justify the disadvantages. West would probably make the approach public, and seek to exploit it in marketing the book. It might be suggested that the Government, even after successful negotiations with West, was grasping for other expedients to

Not sure if it came from Tebbit

SECAAK

avoid embarrassment. An approach to West by a Minister might also be criticised as inappropriate in the light of the current police investigation into suggestions that he holds certain classified documents.

4. West's reply to an approach might be that he was bound by a contract with Weidenfeld and Nicolson and that the matter was out of his hands. Weidenfeld and Nicolson might ask - at least rhetorically - whether the Government would compensate them if they stopped publication. For the Government to pay such compensation would create a precedent which could be cited often in the future when books, television programmes or articles on security matters were in preparation. For the Government not to pay would risk the accusation that they could not be very serious about national security if they were unwilling to spend such a small sum for its sake.

5. If it is nevertheless decided that the Chancellor of the Duchy should speak to West, he might use the points at annex, as well as any considered appropriate on the Conservative Party aspect.

6. I am sending copies of this minute to the Private Secretaries to the other members of OD(DIS), to Michael Saunders (Law Officers' Department), Sir Antony Duff and the Treasury Solicitor.

RA

ROBERT ARMSTRONG

12 February 1987

SECAAK

ANNEX

POINTS THAT MIGHT BE MADE TO WEST

Although West's discussion with the Treasury Solicitor and the Ministry of Defence have resulted in the deletion of material which is new and sensitive, the Government representatives made clear that the Government in no way approved of the book or authorised it. The resulting manuscript, if published, would still cause damage to the national interest. It would stimulate renewed speculation on security matters and continue a series of denigrations and allegations (first Hollis, now Mitchell) about people who have been at the top of the Security Services.

It is unfair to make allegations against people who have died, and most distressing to their families.

The Government cannot possibly approve of such a book and could not hide its disapproval when questioned about the book after publication.

[Any point relating to West's Parliamentary candidature could be added here.]

For all these reasons, it would be far better if the book was not published. Is West willing to stop it?

SECURITY: SECRET SERVICE PTS

cc B/cp

CONFIDENTIAL

B.047

PRIME MINISTER

OD(DIS) on 11 FEBRUARY (5 p.m.)

PROPOSED NEW BOOK BY NIGEL WEST "MOLEHUNT"

I suggest that the main points to cover are as follows:

a. Has deletion from the manuscript of all new sensitive material now been obtained? (Home Secretary and Defence Secretary).

b. How embarrassing would publication of the manuscript in its revised form be for the Government? (Mainly for the Home Secretary).

c. Are there grounds for seeking an injunction to prevent publication? Would we succeed if we tried? (Solicitor General).

d. If not, what steps should be taken to reduce the embarrassment from publication? In particular

- should officials draft a brief on the lines suggested in paragraph 10 of OD(DIS)(87)7 for clearance out of committee?

- should there be an inspired Parliamentary Question, to allow Ministers to stress on the eve of publication that West received no help from anyone in the service of the Crown?

C L G Mallaby

10 February 1987

CONFIDENTIAL

CONFIDENTIAL

Prime Minister
to note.
NCW
10.2

2

HOME SECRETARY

THE PETER WRIGHT CASE

At OD(DIS)(87)7th Meeting, you invited the Attorney General and the Law Officers' Department to undertake a number of tasks.

On the question of the procedures governing appeals from the New South Wales Court of Appeal to the High Court of Australia, we are advised that there is no automatic right of appeal. However, our agents in Australia believe that this is the sort of case where leave is more likely to be granted than not.

I hope to receive Mr. Simos's advice on the "inappropriate to comment" line early this week. I strongly counsel no detailed comment. Our agents in Australia will be discussing with him the position in relation to the reference of the manuscript to the DPP and what influence that would be likely to have in the eyes of the Court of Appeal.

A letter to Mr. Greengrass is being prepared for the consideration of Counsel and me. I would suggest that this should not be sent until judgement at first instance has been delivered. Any letter to Mr. Greengrass will, I think, be given publicity and may possibly adversely influence the Judge when preparing his judgement.

The Judge's Associate has volunteered the information that "they were looking at the first week of March for the judgment but it might be later". Our agents took this to be an estimate which the Judge had made as to when his judgment will be ready. They have arranged with the Judge's Associate that we will be given about a week's notice of the date when the judgment will be handed down.

I am copying this minute to the Prime Minister, other members of OD(DIS) and to Sir Robert Armstrong.

Michael Havers

10 February, 1987

CONFIDENTIAL

10. 11. PM

F.

Ref. A087/322

MR WICKS

On 16 December you sent Mr Woolley a note about a conversation between Murdo MacLean and Mr Ted Leadbitter MP.

2. You may like to know that Sir Martin Furnival-Jones (a former Director General of the Security Service) has been asked about the story, and he says that it is untrue; he has never met Mr Leadbitter, Mr Cecil King or Dame Ruth King.

3. I suggest that you do not need to pass this information on to Mr MacLean or to anybody else.

RA

ROBERT ARMSTRONG

9 February 1987

CONFIDENTIAL

cc LPO
FO
HO
MOD
LOD

FILE
MJ

bc Mr Mallaby

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

NEW BOOK BY NIGEL WEST: "MOLEHUNT"

The Prime Minister saw over the weekend OS(DIS)(87)7 about ministerial decisions on action with regard to West's new book.

The Prime Minister would prefer to discuss this paper before reaching a conclusion. There is no doubt, in her mind, that the book is damaging. It is the kind of material which builds up from an accumulation of breaches of security.

We are in touch with you about arrangements for an early meeting.

I am sending copies of this minute to Private Secretaries to the members of OD(DIS).

N.L.W.

N.L. Wicks

9 February 1987

CONFIDENTIAL

file SRW

cc PC

CONFIDENTIAL

cc LPO
FCS
MOD
AG

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

5 February 1987

Dear Stephen,

UNAUTHORISED PUBLICATIONS BY FORMER MEMBERS OF THE SECURITY SERVICE

The Home Secretary sent a minute to the Prime Minister on 7 February reporting the conclusions of the OD(DIS) meeting on 2 February.

The Prime Minister agrees generally with the course of action which the Home Secretary proposes. She agrees in particular that the Treasury Solicitor should send Mr. Greengrass a letter designed to deter him from disclosures as is recommended in paragraph 6 of the minute. She will await further advice in the light of Counsel's views on the advisability of altering our "unable to comment" line before an appeal is concluded. She would also wish to see the draft of any Government statement on any reference to the DPP of certain allegations in the Peter Wright book.

I am sending a copy of this letter to the Private Secretaries to members of OD(DIS) and to Sir Robert Armstrong and Sir Antony Duff.

Yours ever

Nigel Wicks

(N. L. WICKS)

Stephen Boys Smith, Esq.,
Home Office.

CONFIDENTIAL

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PRIME MINISTER

UNAUTHORISED PUBLICATIONS BY FORMER MEMBERS OF THE SECURITY SERVICE OD(DIS)(87)3.

I suggest that on Mr. Hurd's minute below you:

(a) agree generally; but

(b) ask for further advice, in the light of Counsel's views, on the advisability of altering our "unable to comment" line before the Appeal is concluded (paragraph 4); Agreed MT

(c) ask to see a draft of the Government's statement on any reference to the DPP (paragraph 5);

(d) agree that the Treasury Solicitor should send Greengrass a letter designed to deter him from disclosures (paragraph 6).

Yes MT

N.L.W

(N.L. WICKS)

4 February 1987

DCABRS

CONFIDENTIAL

PRIME MINISTER

UNAUTHORISED PUBLICATIONS BY FORMER MEMBERS OF THE SECURITY SERVICE

I held a meeting of OD(DIS) on 2 February to discuss the situation in the Peter Wright case and also two other matters concerning unauthorised disclosure by former members of the Security Service.

The Peter Wright Case

2. Judgment in the Supreme Court of New South Wales is not likely before mid-February and could come later. We expect the ruling to be unacceptable: even if it upholds our position on some aspects, such as Wright's duty of confidentiality, it is likely to permit publication of all or much of the manuscript. But Counsel still thinks that we have more than a 50 per cent chance of ultimate victory, on appeal or in the High Court.

3. Counsel will seek a continued injunction immediately the judgment is known. We are advised that the Australian courts will almost certainly grant this. Ministers will need rapidly to consider whether we should appeal - which of course is extremely likely - and on what grounds. A short statement by the Government is being drafted for issue immediately the judgment is known, which would say that the Government is considering the question of an appeal, that we have obtained a continuing injunction and that we do not accept criticisms of our handling of the case made (as we expect) in Mr Justice Powell's judgment.

4. The views of Counsel are being sought on the legal implications of some adjustment, after Mr Justice Powell's judgment, in the Government's "unable to comment" public line on matters arising in the Wright case. One possibility might be that we could make some dismissive general statement to the effect that the welter of allegations made in this country and elsewhere in connection with the case contained a great deal of foolishness. The purpose would be to cast general doubt on the wilder allegations without departing from refusal to comment on specific matters.

CONFIDENTIAL

CONFIDENTIAL

5. The Australian judgment will almost certainly refer to the Government's application for permission to use the Wright manuscript for the purpose of a reference to the DPP. Whether permission is granted or not, some Government statement will be needed carefully explaining the background. Further work will be done on this, and on the interaction between this statement and the possible statements mentioned in my previous paragraph.

6. A point for decision arises in respect of Greengrass. In the proceedings in Sydney he undertook to the court and to us not to disclose information obtained from the proceedings in camera where, despite our objection, he was present. But he has given no undertakings about information obtained otherwise, for instance directly from Wright. It has been reported in the press that he and Turnbull may be writing a book on the trial for Heinemann. Turnbull may prefer in his own interest that such a book should not draw on the proceedings in camera or the manuscript. But it must be highly likely that Greengrass will wish to publish an article or book of his own or to produce a television programme as a follow-up to the one he did on Wright for Granada in 1984. OD(DIS) concluded that, subject to your concurrence, the Treasury Solicitor should send Greengrass a letter designed to deter him from disclosures. The Attorney General is considering the terms of a letter; it might refer to the presence of Greengrass in the proceedings in camera and mention reports in the press that he assisted Wright with the manuscript. The letter would draw Greengrass's attention to his undertakings in court in Australia and also to our injunction in this country against the "Observer" and the "Guardian" precluding publication of material from Wright. It would conclude by asking what were Greengrass's intentions regarding any publication or programme on the Wright case. If the Treasury Solicitor received no reply or an unsatisfactory reply from Greengrass, we could consider a further letter seeking an express assurance that he would not disclose information obtained in confidence, or we could move straight to the stage of seeking an injunction preventing such disclosure by him.

7. OD(DIS) also discussed the risk that Wright's manuscript might be published in some country other than Australia and the United Kingdom. You may wish to look at the paper by officials on this (OD(DIS)(87)3). Undertakings by Heinemann and Wright to the court in Australia should inhibit them from seeking to publish in another country so long as the case in Australia continues. If they did attempt to publish elsewhere, we could move to enforce their undertakings in the Australian courts. OD(DIS) noted, however, that the publication agreement supplied by the defendants in

You have read attended

CONFIDENTIAL

Australia was between Heinemann and "Project Tasmania Associates" of New York, as author. We do not know who comprises Project Tasmania. If Wright or Greengrass is a partner, Project Tasmania should be inhibited from transferring the publication rights from Heinemann to some other publisher elsewhere. But if Project Tasmania should not include anyone who has given undertakings to the Australian courts, there might be such a risk of a transfer of publication rights. Officials are doing everything possible to find out more about Project Tasmania, not least since a move by another publisher in another country could well be difficult to frustrate; and will draw up a list of the options available for taking action. OD(DIS) also concluded that, even if the book were published elsewhere while the case continued in Australia, we should be able through the courts in this country to inhibit publication and distribution of the book here. If on the other hand we eventually lost the case in Australia, the book would be published there and in other countries and we should probably be unable to prevent publication in the United Kingdom.

"ONE GIRL'S WAR" BY JOAN MILLER

8. OD(DIS) agreed with the views in your Private Secretary's letter of 2 February.

MISS CATHY MASSITER

9. Since her television programme in 1985, Miss Massiter has provided four affidavits in court cases. Two did not go beyond the information in her television programme. But the other two reveal additional sensitive information.

10. The first of these concerns an appeal by CND, who were unsuccessful in the High Court when they sought judicial review of a warrant to intercept the telephone of a senior member of CND. This affidavit reveals methods used by the Security Service in compiling information on persons suspected of subversion and also indicates that the Security Service have agents in certain organisations. There will be a hearing in the Appeal Court on 10 February to decide whether Miss Massiter's affidavit is to be admitted as evidence in CND's appeal. OD(DIS) agreed that the Attorney General should seek to arrange that the hearing on 10 February be in camera, or at least that the affidavit not be read aloud in court.

11. Miss Massiter's other affidavit is for a case brought by Patricia Hewitt and Harriet Harman MP before the European Commission of Human Rights, where they allege that records were kept on them by the Security Service because of their association with the National Council on Civil Liberties, in breach of their rights under the European Convention. The affidavit purports to describe how records are kept by the Security Service on organisations like NCCL. It states that records were kept on the two ladies as "Communist sympathisers" although there was no evidence that either was a member or sympathiser of the Communist Party; that Duncan Campbell's telephone was being intercepted when Miss Massiter left the Security Service in December 1983; and that "assessments of newly elected MPs are passed [by the Security Service] to the Cabinet Office where there is information about the person concerned which might throw doubt upon their security fitness for inclusion on certain Parliamentary committees.....". The affidavit has been submitted in Strasbourg and we are not in a position to prevent its being used in the case. The Commission has a good record in disclosing information only to those directly concerned, but we shall consider whether further measures are possible to protect the information in the affidavit.

12. We need if possible to restrain Miss Massiter from yet more disclosures. The Attorney General is considering seeking an injunction to restrain her in this sense. If the affidavit in the CND case is not admitted as evidence, it could probably be covered by such an injunction since in those circumstances there would be no question of our seeming to be trying to gag a witness.

Conclusion

13. I should be grateful to know whether you are content with the action in hand and, in particular, with the proposal of a letter from the Treasury Solicitor to Greengrass.

14. I am sending copies of this minute to the other members of OD(DIS) and to Sir Robert Armstrong and Sir Antony Duff.

Doug Le Hurd.

4 February 1987

Prime Minister
to note
NW
4.2

CABINET OFFICE

70 Whitehall London SW1A 2AS Telephone 01-270 0360

CONFIDENTIAL

4 February 1987

B.035

Dear Stephen

"MOLEHUNT" by Nigel West

This letter describes the situation reached on West's manuscript following the discussion in OD(DIS) on 28 January and taking into account the report on the front page of the Times today.

2. West and his publishers, Weidenfeld and Nicolson, accepted last week most of the deletions from the manuscript that we had requested. But they sought to argue that we had indicated willingness to allow a paraphrase of an official Security Service document ("The Symonds Report") to appear in the book. This is not so: we have been insisting, as we did in the case of West's earlier book "A Matter of Trust", on deletion of paraphrase of, as well as quotation from, that document.

3. The Secretary of the Defence, Press and Broadcasting Committee and the Treasury Solicitor therefore repeated to the publishers and to West that we would insist on this point, and added, in line with the conclusions of OD(DIS) on 28 January, that we might seek more changes in the manuscript following further analysis of it. It was also stated explicitly that, contrary to what the publishers and West had tried to make out, our discussions with them were by no means over.

S Boys Smith Esq
HOME OFFICE

4. The report in the Times today states inter alia that "Ministry of Defence officials... had advised changes but indicated that no legal moves would be made if the book was published". Nothing of the kind has been said to West. The Treasury Solicitor is today writing to West to repeat the points made orally to him and the publishers and to add that the Government had not yet decided the question whether to make legal moves; their decision on this would obviously depend in part on the outcome of the continuing discussions about deletions from the manuscript.

5. The further review of West's manuscript by officials, to establish as far as possible that there is no new sensitive information the deletion of which we have not already sought, should be completed today. The Treasury Solicitor will put any further requirements for deletions to West. We may know by the end of this week whether West will agree to all the deletions we want. When this is clear, officials plan to make a full submission to Ministers describing the results of the contacts with West and the publishers, assessing the embarrassment likely to be caused by publication of the book despite the deletions and discussing the question whether to seek an injunction to stop publication of the whole book. If Ministers decided not to seek an injunction, officials would ask to see the full and final text of the manuscript, to ensure that all the agreed deletions had been made, and would make again to West the point that the Government in no way approved of the book.

5. I am sending copies of this letter to Nigel Wicks (Number Ten), Joan MacNaughton (Lord President's Office), Tony Galsworthy (FCO), John Howe (MoD), Michael Saunders (LOD), and to Sir Robert Armstrong and Sir Antony Duff.

Yours ever

Christopher

C L G Mallaby

04.11. PM 6 7
9 7 6 5 4

Mr Wicks

Prime Minister

to see

NZW
4.2

CABINET OFFICE
70 Whitehall London SW1A 2AS
01-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service
Sir Robert Armstrong GCB CVO

Ref: A087/281

4 February 1987

Dear Michael,

with NCW?

You sent me a copy of your letter of 3 February to Nigel Wicks about Mr Dalyell's Adjournment Debate on 6 February.

I should be content for the Attorney General to proceed as he proposes.

The Attorney General should be aware that Lord Rothschild informed me recently that he would be telling the police conducting the investigation that he brought Peter Wright over in 1980 to help him construct an account of his activities as a member of the Security Service during the war and in its interest after the war that would demonstrate, conclusively he believed, that he could not have been a Russian agent. Lord Rothschild told me that he still had the resulting document. Lord Rothschild went on to say that, when Wright arrived, Lord Rothschild discovered that he had in mind to publish a book about his experiences in the Security Service, the main object of which would be to draw public attention to his concern about penetration and his belief that Roger Hollis was a Russian agent. Lord Rothschild told me that he would tell the police but, while he was considering this situation, he was visited in hospital by a friend (now deceased) who suggested that he should put Wright in touch with Pincher, who might be able to read and hear Wright's account and to assure him, from his (Pincher's) extensive knowledge of these matters, that it contained nothing new or worth publishing and would not make a book. Lord Rothschild said that he followed this advice, with consequences that eventually led to the publication of Their Trade is Treachery.

Lord Rothschild said that he proposed to refuse to tell the police the name of the friend who gave him this advice, because he feared that his name, if given, might leak, and might be used

/to support

M L Saunders Esq

to support the theory that the Government sought, promoted or connived at the publication of Their Trade is Treachery. He would tell the police that he was prepared to disclose the name only in strict confidence to the Attorney General.

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

I am sending copies of this letter to Nigel Wicks, and Bernard Sheldon.

Yours ever,

Trevor Woolley

(Approved by Sir Robert Armstrong and signed in his absence)

CONFIDENTIAL

10 DOWNING STREET

From the Principal Private Secretary 4 February 1987

ADJOURNMENT DEBATE 6 FEBRUARY 1987: PROSECUTION POLICY IN RELATION TO THE OFFICIAL SECRETS ACT

The Prime Minister has seen and noted without comment your letter of 3 February about Mr. Tam Dalyell's Adjournment Debate on Friday.

I am sending a copy of this letter to John Wood, Bernard Sheldon, Trevor Woolley and Alison Smith.

(N. L. WICKS)

Michael Saunders, Esq.,
Law Officers' Department.

CONFIDENTIAL

CONFIDENTIAL

M.L. SAUNDERS
LEGAL SECRETARY

LAW OFFICERS' DEPARTMENT
ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

Prime Minister

No need to read Tam Dalyell's rather rambling notes below, but you should note X.

N.L.W.
3.2

N Wicks Esq
No.10 Downing Street
London SW1

3 February, 1987

Dear Nigel,

ADJOURNMENT DEBATE 6 FEBRUARY 1987:
PROSECUTION POLICY IN RELATION TO THE OFFICIAL SECRETS ACT

Mr. Tam Dalyell has given to the Attorney General a rough copy of the speech he intends to make on Friday in the Adjournment Debate. I enclose a copy of his letter and the speech.

You will recall that , in answer to questions about Lord Rothschild, the Attorney General has said that he was considering with the DPP the allegations made. A police investigation is taking place. The fact of that investigation has not been made public.

X In winding-up the debate, the Attorney intends to state that a police investigation is taking place and that, therefore, it would be inappropriate for him to comment on the allegations made by Mr. Dalyell in relation to Lord Rothschild. The Attorney General takes the view that he cannot stand blandly on his answer given two months ago that the matter "is under consideration". There are, however, other allegations made by Mr. Dalyell in the course of his speech. If there are any matters arising out of the speech to which the Attorney's attention should be drawn, I should be grateful if you and other recipients of this letter would let me know.

The Attorney has considered whether he should contact Mr. Dalyell, inform him that police enquiries are taking place, tell him that that fact will be made public in response to any PQ tabled by him and invite him to consider whether the Debate is necessary. The Attorney believes that such an approach would not succeed and that tactically the revelation of the police investigation should be reserved for the Debate.

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THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

Yours sincerely,

Michael Saunders.

M L SAUNDERS

2/7/87

Dear Michael,

I shall have something to add about Bernard Sheldon, but want to see what is said re the BBC.

Yours
Tim

Typed from T.D's Manuscript.

TAM DALYELL SPEECH

May I say at the outset, that I have sent the Attorney General a copy of my Speech on Monday, since it raises issues of Byzantine difficulty, and daunting delicacy. Knowing the Attorney, I am sure he will respond in the same spirit of considered seriousness.

The purpose of this Adjournment Debate is to give the Law Officers an opportunity to tell Parliament - these issues are Ultra-Party - what on earth they propose to do to clean up Augean Stables of inconsistency in prosecution policy under the OSA.

The Law Officers will understand that my deep interest in these matters was borne during those 11 days I sat in the Old Bailey in Mr. Justice, Sir Anthony McOwan during the trial of Clive Ponting.

Why prosecute Clive Ponting and dither - understandably. I don't use it in an perjurative sense - over prosecuting Victor Rothschild?

Why send Sarah Tisdell to prison to months and do nothing about Bernard Sheldon in relation to Rupert Allason, alias Nigel West?

The basic issue becomes yet more typical with the events at Queen Margaret Drive. One Prosecution Policy for the influential, the famous, and the distinguished, another prosecution policy for more junior, hitherto less famous Civil Servants.

{Hansard extracts}

Compared to what Victor Rothschild set in train with Peter Wright and Harry Pitcher (?), anything Clive Ponting gave me, melts into rising influence in this of national security, if not political embarrassment.

There is an affluent inconsistency of policy - it would be helpful to the House to know on which principles these discriminatory practices are justified - on what basis discrimination is authorised by Ministers. And it is to the position of Lord Rothschild that I wish to turn.

If I, for the first time, shelter under the cloak under Parliamentary Privilege, it is because, first Victor Rothschild is a litigious man, and secondly, I don't think that what I am saying is to his discredit. Let me offer necessarily truncated points:

1. In the 1930s, international Jewry, of which the Rothschilds were one of the leading families, was aghast at the anti-semitism then apparent in Germany.

2. Victor Rothschild may have recruited say Burgess for a main role, in one of the Jewish Intelligence Services. Douglas Sutherland, Burgess and MacLean.

3. As an understandably passionate anti-fascist, Victor Rothschild had relations with Comintern Agents. Talk of spying is jejune nonsense. Any how a good agent is a man who gets from foreign powers more than he gives.

4. The events of long ago fade into the past. Sleeping dogs are rightly in my view allowed to lie. De Mortuis nil nisi bonum. But in 1979, Britain gets a new species of Prime Minister. On 15 November 1979, Mrs. Thatcher makes a statement on Blunt against advice with the option of a law(?) in a chairmanship.

Anthony Blunt's activities as an agent of both sides, many years previously, were fully known to successive Permanent Secretaries at the Home Office.

I believe Lord Rothschild was extremely angry about the Prime Minister's action on Blunt.

You see, Mr. Speaker, some of us believe that Anthony Blunt's memoires, given to his brother, and now lodged in an institution in London, will reveal a complex story, part of which is that Blunt was asked by Guy Liddell to get Burgess and MacLean out of the country.

6. In the summer of 1980, Lord Rothschild led Mrs. Thatcher, by then Prime Minister, to his flat in St. James's.

He is subsequently quoted in the press as saying, "she does not understand intelligence matters".

7. Lord Rothschild then comes to believe that his own reputation is at stake, especially after the PM's statement on Sir Roger Hollis of 26/3/81, column 1079. At his own expense he brings over Peter Wright over from Australia. He discusses with Wright certain material which appears to constitute a contravention of Section 7 of the 1920 Official Secrets Act.

{Extract from 1920 Official Secrets Act}

If the Attorney General would prosecute Lord Rothschild in open court, it would be possible to ask questions which were causing much public concern, and which Lord Rothschild would have to answer on Oath. Some of these questions are:-

> While, it is possible that Sedgwick and Jenkson would consult Arthur Franks about possible breaches of the Official Secrets Act - that would not explain Rothschild's involvement.

Therefore,

1. Why should Rothschild expose himself by suggesting an unlawful enterprise to Mr. Wright - that he should breach the OSA - and then procure a writer, Mr. Pincher, to act as a channel for royalties?

Why did Lord Rothschild fly Mr. Wright to London, if as has been suggested, all he needed was a testimonial to protect himself against suggestions that he had been a Soviet agent?

This case develops new tentacles every week.

(Victor Rothschild wants to bury his guilt in Sir Roger Hollis' bones. Victor Rothschild/Peter Wilson of Sotheby's categorically Victor Rothschild is guilty - whistled up Wright - who was never important, not very bright).

Why pay him?
Why introduce him to Pincher?
Why Pincher pay him half royalties?
Rothschild tries to buy his own anxieties - the way to do it is - Rothschild to suggest that Hollis is guilty.

Only by proceedings in open court on Oath will obscurities be made less obscure - only by proceedings in open court can there be the end of doubt, and suspicion of discrimination.

Give reasons why he will or why he won't prosecute Victor Rothschild - if he declines to prosecute, apologies should be winging their way to Sarah Tisdell and Clive Ponting, Duncan Campbell and the BBC.

3 February 1987

SLHAFX

This was attached to Sandbrook's letter of 3 Feb. about T's Adjournment Debate

HOUSE OF COMMONS
LONDON SW1A 0AA

May I say at the outset, that I have sent the Attorney General a copy of my speech on Monday, since it raises issues of Byzantine difficulty, and daunting delicacy.

Knowing the Attorney, I am sure he will respond in the same spirit of considered seriousness.

II

HOUSE OF COMMONS
LONDON SW1A 0AA

The purpose of this
Adjournment Debate is to
give the Law Officers
an opportunity to tell
Parliament -
these issues are ultra-Party -
what on earth
they propose to do
to clean up
Augean Stables of
inconsistency in prosecution
policy under the OFT.

III

HOUSE OF COMMONS
LONDON SW1A 0AA

The Law Officers will understand
that my deep interest
in these matters
was born during the
11 days I sat in
the Old Bailey
in the Justice
Sir Anthony Mc Owen

During the Trial of
Clive Ponting.

HOUSE OF COMMONS
LONDON SW1A 0AA

IV

Why prosecute Chris Panting
and Jilka
- understandably,
? Don't use it in
a perjurious sense -
over prosecuting Victor Rothschild?

Why send Sarah Tisdall
to prison for months
and do nothing about
Bernard Sheldon, in relation
to Rupert Allason,
alias Nigel West?

V

The basic issue becomes yet more topical with the events at Queen Margaret Drive.

HOUSE OF COMMONS
LONDON SW1A 0AA

Prosecution Policy

One ~~Law~~ for the
influential,
the famous,
and the distinguished,
another prosecution policy
for mere junior,
hitherto less famous
civil servants.

Her Majesty's Government have received during the past 12 months concerning restitution of the Elgin Marbles to Greece.

Mr. Eggar: We have not received any official representations concerning the restitution of the Elgin Marbles to Greece since a reply was given to the request for their return through UNESCO in October 1985. We have received 12 separate representations from private groups and individuals on this subject within the past 12 months.

Indonesia (Political Prisoners)

Mr. Wigley asked the Secretary of State for Foreign and Commonwealth Affairs what representations he has received, in the context of the Foreign Ministers' meeting at Jakarta last month, concerning political prisoners in Indonesia; whether he took these questions up with the Indonesian authorities; and if he will make a statement.

Mr. Renton: Several hon. Members have written to me about the recent executions of nine people in Indonesia. In early October Her Majesty's ambassador in Jakarta expressed to the Indonesian authorities at a high level the collective concern of the Governments of the member states of the European Community about these executions. He also lodged a strong appeal for clemency for others currently under sentence of death. The Indonesian Government were fully aware of our views when my right hon. and learned Friend visited Jakarta for the EC-ASEAN Foreign Ministers meeting. He did not therefore raise the matter with them again on that occasion.

Iran

Mr. Best asked the Secretary of State for Foreign and Commonwealth Affairs what discussions have taken place between Her Majesty's Government and the United States Administration on the co-ordination of their embargoes on lethal arms sales to Iran.

Mr. Renton: None. Our policy remains as described by my right hon. Friend the Prime Minister on 18 November that:

(i) We should maintain our consistent refusal to supply any lethal equipment to either side;
(ii) Subject to that overriding consideration, we should attempt to fulfil existing contracts and obligations;
(iii) We should not, in future, approve orders for any defence equipment which, in our view, would significantly enhance the capability of either side to prolong or exacerbate the conflict;
(iv) In line with this policy, we should continue to scrutinise rigorously all applications for export licences for the supply of defence equipment to Iran and Iraq.

Cambodia

Mr. Best asked the Secretary of State for Foreign and Commonwealth Affairs if he will make it his policy to give assistance to forces which are resisting the Vietnamese occupation of Cambodia; and if he will make a statement.

Mr. Renton: I refer my hon. Friend to the reply that I gave to him on 20 November, at column 312. It is our policy to continue to give humanitarian assistance to the non-Communist resistance. We have pledged £200,000 for this purpose in 1986-87. We do not provide military assistance nor assistance in cash. Nor do we provide any assistance to the Khmer Rouge.

Electoral Register

Mrs. Peacock asked the Secretary of State for Foreign and Commonwealth Affairs how many overseas electors' declarations have been attested at British consulates under the terms of the Representation of the People Act 1985, with a view to inclusion in the Electoral Register coming into force on 16 February 1987.

Mr. Eggar: The provisional total for the number of declarations attested between 11 July when the regulations governing the Act came into force and 10 October, is 12,207.

ATTORNEY-GENERAL

State Security

Mr. Winnick asked the Attorney-General what contacts he has had with the Australian authorities regarding the Wright case; if he will set out the dates of the relevant letters and telephone conservations; and if he will make a statement.

The Attorney-General: Discussions on these matters between the Australian authorities and Her Majesty's Government are confidential.

Mr. Dalyell asked the Attorney-General what consideration he has given to proceeding against *(a)* Mr. Arthur Franks, formerly head of MI6, and *(b)* Lord Rothschild for breach of confidence in relation to information on matters of state security given to authors.

The Attorney-General: I am considering with the Director of Public Prosecutions the allegations made in respect of the two named individuals.

DEFENCE

European Community (Service Personnel)

Mr. Ralph Howell asked the Secretary of State for Defence what information he has for each European Economic Community country, as to the total number of *(a)* regular service personnel, *(b)* reservists and *(c)* national service personnel.

Mr. Freeman: Details for the United Kingdom are as follows:

	Number
Regular service personnel	[1]322,614
Reservists	[2]306,812
National service personnel	Nil

[1] At 30 September 1986.
[2] At 31 March 1986.

For detailed information on the armed forces of the other countries of the European Economic Community I would refer my hon. Friend to the International Institute for Strategic Studies publication "The Military Balance 1986-87", a copy of which is in the Library.

Edinburgh Festival

Lord James Douglas-Hamilton asked the Secretary of State for Defence what is the extent of the contribution of

Written Answers to Questions

Monday 1 December 1986

ATTORNEY-GENERAL

State Security

55. **Mr. Winnick** asked the Attorney-General if he will make a statement on the progress of the Government's case in the Australian court in respect of a book concerning an ex-MI5 official.

The Attorney-General: The principle we are seeking to establish is clear—all those who served and have served in the security service owe a life-long duty of confidentiality to the Crown.

So far as the proceedings in Sydney are concerned, I must remind the House that I am the plaintiff and therefore cannot comment on anything which is in issue before the court. Although, under the rules of the House, judicial proceedings abroad are not subject to the sub judice rule, I have to be careful to avoid the risk of prejudicing the case or at the worst being in contempt of court in Sydney. It inevitably follows the Government are handicapped in respect of some of the allegations being bandied about.

Mr. Campbell-Savours asked the Attorney-General if a Law Officer will prosecute the right hon. and learned Member for Wimbledon (Sir M. Havers) under section 2 of the Official Secrets Act for giving confidential information to Mr. Chapman Pincher on 1 January 1983 concerning conversations between Nigel West and Arthur Martin.

The Solicitor-General: No, Sir.

Mr. Dalyell asked the Attorney-General when, pursuant to his answer of 26 November, *Official Report*, column *268*, he hopes to complete his consideration with the Director of Public Prosecutions of the allegations against Sir Arthur Franks and Lord Rothschild.

The Attorney-General: The matter remains under consideration.

Westland plc

53. **Mr. Dalyell** asked the Attorney-General if he will make a statement on the role of the Director of Public Prosecutions in relation to the inquiry into the selectively leaked Law Officer's letter in the Westland affair.

The Attorney-General: I have nothing to add to what has already been said in answer to questions and in statements.

Law Centres

56. **Mr. Nicholas Brown** asked the Attorney-General if he will list the powers of the Lord Chancellor relating to the funding of law centres.

The Solicitor-General: The Lord Chancellor has no specific statutory powers in relation to the funding of law centres. Grants to those law centres which receive support from the Lord Chancellor's Department are made in accordance with the provisions of the Appropriation Act.

EC Budget

Mr. George Robertson asked the Attorney-General what was the cost to public funds of the legal action taken by Her Majesty's Government in the European Court of Justice against the European Parliament 1986 budget.

The Attorney-General: Disbursements from public funds in respect of legal action taken by Her Majesty's Government in the European Court of Justice against the European Parliament's 1986 Budget amounted to £17,360. Work carried out in connection with the case by Government officials was in the course of their ordinary duties and at no extra cost to public funds.

Fraud (Prosecutions)

Mr. Hancock asked the Attorney-General how many prosecutions have been made for fraud in the last two years; and what proportion have resulted in convictions.

The Attorney-General: Fraud is a generic term covering a wide range of offences of differing degrees of gravity but each involving an element of dishonesty. Such offences are prosecuted by a number of prosecuting authorities, whereas my ministerial responsibility is confined to the work of the Director of Public Prosecutions and my Department holds no figures as to the total number of fraud cases prosecuted.

I am able to inform the hon. Member that, during 1985, the fraud divisions of the office of the Director of Public Prosecutions, which handle serious cases of alleged fraud, commenced 150 prosecutions. Fifty-five trials on indictment were completed during that year, of which 42 resulted in conviction and 13 in acquittal. Comparable but more detailed figures for the first nine months of 1986 show that during that period 66 trials on indictment, involving 149 defendants, were completed.

Pleas of guilty or convictions were obtained in 59 cases. The outcome of those cases when analysed in terms of defendants was as follows:

	Number
Pleaded guilty	88
Convicted	45
Acquitted	16

The total sum at risk in the cases dealt with this year to 30 September was £147 million.

TRANSPORT

Airport Charges

Mr. Powley asked the Secretary of State for Transport when he intends to issue permission to levy airport charges to the British Airports Authority's airports.

Mr. Moore: I have granted permissions to levy charges to the operators of Heathrow, Gatwick, Stansted, Prestwick, Glasgow, Edinburgh and Aberdeen airports. I have issued the permissions in accordance with part IV of the Airports Act 1986 and in particular under the powers in section 53; they take effect from today. Copies of the permissions have been placed in the Library.

International Atomic Energy Agency and elsewhere to improve the arrangements for co-ordinated international action. In the meantime, the two recently signed International Atomic Energy Agency sponsored conventions should ensure earlier and more effective notification and dissemination of information than occurred in the case of the Chernobyl accident.

I shall make a further statement when the detailed planning now in hand has been completed and appropriate steps will be taken to make the new arrangements known to the public and to all the authorities concerned.

Lord Rothschild

Q77. **Mr. Dalyell** asked the Prime Minister whether she will now release Lord Rothschild from his obligations of confidentiality as a former member of the security services; and if she will make a statement.

The Prime Minister: All present and former members of the security services owe a life-long duty of confidentiality to the Crown. They may not make unauthorised disclosures of information acquired in their work. Any requests for authorised disclosure would be considered in the normal way.

Nurses and Midwives

Mr. Pavitt asked the Prime Minister if Sir James Cleminson has yet presided over meetings of the review body for nurses and midwives remuneration: how many meetings have been held in connection with the 1987 award; when she is hoping to receive the report: and if she will make a statement.

The Prime Minister: I understand that Sir James Cleminson chaired his first meeting of the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine earlier this month and that this was the review body's third meeting since completing its 1986 reports. I have as yet received no indication of when the review body's next report will be submitted. We look forward to receiving the recommendations of the review body in due course.

Civil Servants (West Germany)

Mr. Steel asked the Prime Minister if she will make a statement on the level of take-home pay received by British civil servants working in West Germany relative to their British based counterparts.

The Prime Minister: British civil servants serving in West Germany receive a supplement to salary known as foreign service allowance. This compensates for the extra cost of having to live outside the United Kingdom in order to perform their duties. The allowance is adjusted to reflect movements in local prices or exchange rates to ensure that the purchasing power of take-home pay and the allowance can maintain a standard of living which is at least equivalent to that of civil servants in the United Kingdom.

Westland plc

Mr. Dalyell asked the Prime Minister what action was taken in connection with the report by the then Secretary of State for Defence alleging that the then Secretary of State for Trade and Industry had urged the managing director of the leading company in the European Westland consortium to withdraw in the national interest, during the period between the receipt by the private office of that report on 8 January and the discussion of Westland plc by the Cabinet on 9 January.

The Prime Minister: I refer the hon. Gentleman to the answer I gave him on 17 November, at columns 49-50.

Police and Military Establishments

Mr. Tony Banks asked the Prime Minister how many police and military establishments she has visited since 1979.

The Prime Minister: I shall reply to the hon. Gentleman as soon as possible.

Visits

Mr. Terry Lewis asked the Prime Minister if she will publish in the *Official Report*, Prime Ministerial visits overseas in each year since 1979.

The Prime Minister: The information is as follows (holiday visits have been excluded):

1979	
June	[illegible] (two visits)
June-July	[illegible]
	[illegible] Union (Stop-over)
	[illegible]
July-August	[illegible]
October	[illegible]
	Luxembourg
	Germany
November	Republic of Ireland
December	United States of America
1980	
April	Luxembourg
May	Yugoslavia
June	[illegible] (two visits)
September	[illegible]
	[illegible]
	[illegible]
November	[illegible]
	[illegible]
December	Luxembourg
	Republic of Ireland
1981	
February	Netherlands
February-March	United States of America
March	Netherlands
April	[illegible]
	Saudi Arabia
	Abu Dhabi
	Dubai
	Oman
	Qatar
June	Luxembourg
July	Canada
September-October	Kuwait
	Belgium
	Australia
	Pakistan
October	Mexico
November	Germany
December	France
1982	
March	Belgium
June	France
	Germany
	United States of America
	Belgium
July	Italy
September	Hong Kong

HOUSE OF COMMONS
LONDON SW1A 0AA

Compared to most
Victorian houses
set in main
with plenty of room
and Hall, Dining,
anything else Putting
guests into first floor
in fact of modern security,
it has substantial advantages.

XI

There is an apparent inconsistency of policy -

- it would be helpful to be told to know on which principles these discriminatory practices are justified

- on what basis discrimination is authorised by Ministers.

HOUSE OF COMMONS
LONDON SW1A 0AA

XII

And it is to the position of Lord Rothschild that I wish to turn.

If I, for the first time, slether under the cloak of Parliamentary Privilege, it is because, first Victor Rothschild is a litigious man, and secondly, I don't think that what I am saying is to his discredit.

XIII

HOUSE OF COMMONS
LONDON SW1A 0AA

Let me offer necessarily
truncated points:

1. In the 1930s,
international Jewry,
of which the Rothschilds
were one of the leading families,
was against the
anti-Semitism the Nazi Party
is bringing.

2. Vichy followed suit and
recruited many Bureaux to
do their work.
One of the Vichy-intelligence
services. Douglas Sutherland.
"Bureau au Marché"

XIV

HOUSE OF COMMONS
LONDON SW1A 0AA

3 It's an understanding
passionate anti-fascist,
Left Hollywood and relations
with Communist Agents.
Talk of spying is
believe nonsense.
Anyhow a good agent
is a man
who gets for foreign powers
more than he gives.

HOUSE OF COMMONS
LONDON SW1A 0AA

XV

4. The events of long ago
fade into the past.
Sleeping dogs are
mightily inclined
to lie.
Dr Martin not mind
lumum.
But in 1979, Britain
gets a new speaker
& Prime Minister.

HOUSE OF COMMONS
LONDON SW1A 0AA

XVI

On 15th November 1979

Mr Thatcher wrote

to Strathclyde in Scotland

regarding abuse

with the opinion.

Yours sincerely

Chancellor

XVII

Anthony Blunt's activities
as an agent
of both sides,
many years previously,
were fully known
to successive
Permanent Secretaries at the
Home Office.

KJ/111

I believe Lord Rothschild was extremely angry about the PM's action on Blunt.

You see, MT Speaker, some of us believe that Anthony Blunt's memoire, given to his brother, and now lodged in an institution in London, will reveal a complex story, part of which is that Blunt was asked by the ~~late~~ ~~Dick Brooman White~~ and Guy Liddell to get Burgess and Maclean out of the country.

XIX

6 In the Summer of 1980
Lord Rothschild lunched
Mrs Thatcher.
by Her Prime Minister
to his Flat - St James's.

He is subsequently quoted
in his Diaries as saying
"She does not understand
intelligence matters".

XX

7. Lord Rothschild then comes to believe that his own reputation is at stake, especially after the PM's statement on Dr Roger Hollis of 26/3/81 Col 1079.

At his own expense he brings over Peter Wright from Australia.

He discusses with Wright certain material which appears to constitute a contravention of Section 7 of the 1920 Official Secrets Act.

A.D. 1920.

(3) The books so kept and all postal packets received by a person carrying on any such business, and any instruction as to the delivery or forwarding of postal packets received by any such person, shall be kept at all reasonable times open to inspection by any police constable.

(4) If any person contravenes or fails to comply with any of the provisions of this section, or furnishes any false information or makes any false entry, he shall be guilty of an offence under this Act, and shall, for each offence, be liable on conviction under the Summary Jurisdiction Acts to imprisonment with or without hard labour for a term not exceeding one month, or to a fine not exceeding ten pounds, or to both such imprisonment and fine.

(5) Nothing in this section shall apply to postal packets addressed to any office where any newspaper or periodical is published, being postal packets in reply to advertisements appearing in such newspaper or periodical.

(6) Nothing in this section shall be construed as rendering legal anything which would be in contravention of the exclusive privilege of the Postmaster General under the Post Office Acts, 1908 to 1920, or the Telegraph Acts, 1863 to 1920.

Duty of giving information as to commission of offences.

6. It shall be the duty of every person to give on demand to a chief officer of police, or to a superintendent or other officer of police not below the rank of inspector appointed by a chief officer for the purpose, or to any member of His Majesty's forces engaged on guard, sentry, patrol, or other similar duty, any information in his power relating to an offence or suspected offence under the principal Act or this Act, and, if so required, and upon tender of his reasonable expenses, to attend at such reasonable time and place as may be specified for the purpose of furnishing such information, and, if any person fails to give any such information or to attend as aforesaid, he shall be guilty of a misdemeanour.

Attempts, incitements, &c.

7. Any person who attempts to commit any offence under the principal Act or this Act, or solicits or incites or endeavours to persuade another person to commit an offence, or aids or abets and does any act preparatory to the commission of an offence under the principal Act or this Act, shall be guilty of a felony or a misdemeanour or a summary offence according as the offence in question is a felony, a misdemeanour or a

summary offence, and on conviction shall be liable to the same punishment, and to be proceeded against in the same manner, as if he had committed the offence.

Provisions as to trial and punishment of offences.

8.—(1) Any person who is guilty of a felony under the principal Act or this Act shall be liable to penal servitude for a term of not less than three years and not exceeding fourteen years.

(2) Any person who is guilty of a misdemeanour under the principal Act or this Act shall be liable on conviction on indictment to imprisonment, with or without hard labour, for a term not exceeding two years, or, on conviction under the Summary Jurisdiction Acts, to imprisonment, with or without hard labour, for a term not exceeding three months or to a fine not exceeding fifty pounds, or both such imprisonment and fine:

Provided that no misdemeanour under the principal Act or this Act shall be dealt with summarily except with the consent of the Attorney General.

(3) For the purposes of the trial of a person for an offence under the principal Act or this Act, the offence shall be deemed to have been committed either at the place in which the same actually was committed, or at any place in the United Kingdom in which the offender may be found.

(4) In addition and without prejudice to any powers which a court may possess to order the exclusion of the public from any proceedings if, in the course of proceedings before a court against any person for an offence under the principal Act or this Act or the proceedings on appeal, or in the course of the trial of a person for felony or misdemeanour under the principal Act or this Act, application is made by the prosecution, on the ground that the publication of any evidence to be given or of any statement to be made in the course of the proceedings would be prejudicial to the national safety, that all or any portion of the public shall be excluded during any part of the hearing, the court may make an order to that effect, but the passing of sentence shall in any case take place in public.

(5) Where the person guilty of an offence under the principal Act or this Act is a company or corporation, every director and officer of the company or corporation shall be guilty of the like offence unless he proves that the act or omission constituting the offence took place without his knowledge or consent.

XXIII

If the Attorney General would prosecute Lord Rothschild in open court, it would be possible to ask questions which are causing much public concern, and which Lord Rothschild would have to answer on oath.

Some of these questions are :-

HOUSE OF COMMONS
LONDON SW1A 0AA

XXIV

ROTHSCHILD. (2)

While,
It is possible that
Sir Gordon or Tarleton
would consult Arthur Francis
about possible breaches
of the Official Secrets Act
- but that would not explain
Rothschild's involvement.

Tuesday therefore
1 Why should Rothschild expose himself
by suggesting an unlawful expenditure
to Mr Wright -
that he should bribe the OFT -
and the procure a writer,
Mr Pincher, to act as a
channel for blackmail?

HOUSE OF COMMONS
LONDON SW1A 0AA

XTV

ROTHSCHILD (3)

Why did Lord Rothschild fly Mr Wright to Canada, if, as has been suggested, all he needed was a testimonial to protect himself against suggestions that he had been a Soviet agent?

This case develops new tentacles every week.

HOUSE OF COMMONS
LONDON SW1A 0AA

XXVI

SUTHERLAND

(Victor Rothschild
wants to bury his guilt
in Sir Roger Hollis's bones.

Victor Rothschild / Peter Wilson of Sotheby's

Categorically Victor Rothschild is guilty

- which up Wright
- who was very important,
not very bright.)

Why pay him?
Why introduce him to Pincher?
Why Pincher pay him 1/2 royalties?
Rothschild tries to bury his own antiquities ~~guilt~~ –
the way to do it is for Rothschild
to suggest that Hollis is guilty.

HOUSE OF COMMONS
LONDON SW1A 0AA

XXVII

Only by proceeding
in Open Court, can such
Cases obscurities
be made less obscure

- only by proceeding
in Open Court
can there be the end
of doubt,
and suspicion of discrimination

HOUSE OF COMMONS
LONDON SW1A 0AA

XXVIII

Give lessons
why he won
or why he won't
prosecute John Hollinshead
- if he declines to prosecute,
apologies should be
wringing their way
to Sunak Tis Jall
and Chris Pointing
Donna Langton at BBC.

03. 11. PM 8 7

CONFIDENTIAL

JK2ANO

c LPO
FCO
MOD
AH-Gen.
CO

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

2 February 1987

ONE GIRL'S WAR

The Prime Minister has seen a copy of the Solicitor General's letter of 30 January about the next step in the One Girl's War case.

Subject to the views of colleagues, the Prime Minister agrees generally with the course of action proposed by the Solicitor General. She agrees in particular that the case should be pursued at least until we have seen the House of Lords judgement in the Guardian/Observer action; that we should proceed on the basis that the principles upheld are enunciated in the Court of Appeal judgement to which the Solicitor refers in his letter; and that there should be a Statement of Claim for an account of profits relating to the period before the injunction took effect.

I am sending a copy of this letter to Members of OD(DISS) and to Sir Robert Armstrong.

N.L. WICKS

Stephen Boys Smith, Esq.,
Home Office.

CONFIDENTIAL

CONFIDENTIAL

Prime Minister

I suggest that subject to views of colleagues, you agree generally + especially with X, Y and Z (pursue for an account of profits). Agree?

N.L.W.
30.1

Yes

SOLICITOR GENERAL

~~01-405 7641 Ext~~

ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

The Rt.Hon. Sir Geoffrey Howe QC., MP.,
Secretary of State for Foreign and Commonwealth Affairs
Foreign and Commonwealth Office
Downing Street
London SW1

30January 1987

Dear Geoffrey:

ONE GIRL'S WAR

I think we need to look quite urgently at the One Girl's War case and decide how we are to handle it.

The case is, as we are all well aware - and as Mr Justice Simon Brown intimated - an awkward one to fight. The events described in Miss Miller's book are trifling and took place a long time ago. Nevertheless, her book was written, recently, in breach of her duty of confidence and it seems was written with the sole intention of publication for profit. Neither I nor Treasury Counsel can see how the One Girl's War action can be dropped without effectively abandoning the Government's claim (which derives support from the Court of Appeal's Judgment in the Guardian/Observer case)that it has the right to prohibit unauthorised publications by members of the Security Service irrespective of the contents of the publication in question. Authorising One Girl's War, even at this late stage, might seem a way out of this difficulty but it would have very serious disadvantages. Treasury Counsel advises that authorisation of the book, after its publication and under obvious pressure, would prejudice the Guardian and Observer case where the Court of Appeal Judgment is due to be examined by the House of Lords about March. Moreover, authorisation in these circumstances could tend to cast doubt upon the bona fides of the Governments' application for an injunction in this case and to reduce the credibility of any future application by the Government for ex parte injunctions to prevent publication.

CONFIDENTIAL

If you accept this advice the consequence is, I think, that the case should be pursued at least until we have seen the House of Lords Judgment in the Guardian and Observer action. Mr Justice Simon Brown hasordered a speedy trial but not before the House of Lords Judgment in the Guardian/Observer action. It may be that the House of Lords will apply more restrictive criteria than did the Court of Appeal when considering applications to restrain the publication of material originating in the Security Services. If so, the Government will clearly have to review the position generally and review the One Girl's War case in particular. For the moment however we should proceed on the basis that the principles to be upheld are those enunciated in the Court of Appeal Judgment to which I have already referred.

Assuming therefore that those principles are upheld, the Government will need to prepare persuasive evidence of the damage which would occur to national security if unauthorised publications such as One Girl's War were to be permitted. In other words the Government would have to be ready to show that even where publication has taken place abroad there would still be damage to national security if there were to be a further breach of the duty of confidentiality by publication in the UK. The situation is clearly very different from that in which our case depends on a "contents claim" (e.g. Duncan Campbell) where we cannot demonstrate any further damage by virtue of republication. But I do not myself know how strongly our argument can be put. It must depend on the extent to which members of the Security Services would be encouraged to disseminate confidential material by knowledge that their views could ultimately be published and make profits in the UK, and on an assessment of the damage which this change of perception would cause. This is the kind of evidence we would have to lead if we wished to prevent publication of the Wright book in the UK, in the event that the Australian Courts permitted its publication. Treasury Counsel is firmly of the view that if a Court is to be persuaded by this type of argument evidence will have to be given by a present or possibly past member of the Security Service with first hand knowledge of these issues. He does not believe that any outside witness would be an adequate substitute and I accept this advice. We will also need to produce evidence relating to the condition of confidentiality implied in Miss Miller's contract.

Quite apart from the problem of who is to give evidence and what evidence they will be able to give (both in relation to damage to national security and on Miss Miller's obligation of confidentiality), we need to decide whether the Statement of Claim in the One Girl's War case should press for an account of profits relating to the period before the Injunction took effect. The profits in this case would no doubt be small, if they existed at all. But if Government were able to establish the principle that it would seize any profits received in this jurisdiction as a result of unauthorised publication (whether within or outside the jurisdiction) this would be a significant step and one which I understand the Security Service believe would have an important deterent effect on future publications. You will recall that I raised this point in my letter of 12 December to Douglas Hurd.

We are already, strictly speaking, out of time in serving a Statement of Claim on the defendants of One Girl's War action and Treasury Counsel must draft this as soon as possible. I should therefore be grateful for your views, and those of the others to whom I am copying this letter,as soon as possible.

I am copying this letter to members of OD(DIS) and to Sir Robert Armstrong.

Yours ever,

Patrick

B.C.H. NM87

THE NATIONAL ARCHIVES

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PRIME MINISTER

THE MEETING OF OD(DIS) AT 1800 HOURS

There are two items for the agenda:

Ann Clwyd, MP

There have been reports that Ann Clwyd is planning to show the BBC film in Cardiff on Saturday. As I understand it, the Attorney General's advice is that we would not succeed in obtaining an injunction to prevent her showing the film because much of it is already in the public domain. The questions which will arise are:

(i) is this legal advice sound;

(ii) even if it is, should the Government go for an injunction in expectation that it would not be ~~grounded~~ granted;

(iii) is there a prospect of the BBC obtaining an injunction on grounds of breach of copyright?

If an injunction cannot be obtained, the presentation of the Opposition will need careful consideration. Presumably this would focus on the irresponsibility of a Labour MP. The fact will have been that an adviser to the Labour Party (Campbell) in conjunction with a left-wing newspaper, and aided and abetted by Labour MPs (Cook and Clwyd) had brought about significant damage to national security. The Government had used all the legal weapons at its disposal to stop this, but had been unable to combat the irresponsibility of the Labour Party.

evaded / voided

Nigel West's Molehunter

The background is in Sir Antony Duff's letter below. Points to probe here are:

(i) why were not ministers warned of this earlier?

(ii) should not we take out an injunction against West?

(iii) or is there any other way of persuading him not to publish (eg, through the Party?)

(iv) what are the consequences of his book for the Wright case?

(v) what is the Government's presentational line on his book?

N.L.W.

N L WICKS

27 January 1987

SLHAFJ

Resubmitted; Prime Minister You did not say whether you agreed!

Prime Minister' I think we should stick at §5 and NOT do §4. Agree?

Yes N.L.W. 26.1

Ref. A087/215 WW 27.1

MR ADDISON

You asked for a "line to take" in case the Prime Minister was asked at Question Time tomorrow about allegations that in 1974 the Security Service sent various newspapers forged documents purporting to say that Lord Glenamara (The Rt Hon Edward Short MP) had established an illegal Swiss bank account.

2. The fact is that the Metropolitan Police investigated the allegation at the time, were satisfied that the documents were forged, and that there was not the slightest indication that members of the Security Service might have been responsible for the forgeries.

3. The difficult about using this information is that neither the Prime Minister nor the Home Secretary nor Lord Glenamara were told about this police inquiry at the time. This makes it a little difficult for the present Prime Minister to refer to the police investigation in answer to a question in the House of Commons.

4. If the Prime Minister agrees, I should be inclined to write to Lord Wilson of Rivaux (the then Prime Minister) and Mr Roy Jenkins (the then Home Secretary) to tell them about the police inquiry, and to seek their agreement to the Prime Minister being at liberty to say something about it, if necessary, in the House of Commons.

5. In the meantime, I think that the Prime Minister can say no more than that these matters had occured before the period for which she is Ministerially responsible.

RA

ROBERT ARMSTRONG

26 January 1987

GHQAAF

MT (33)
file

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

Thank you for your minute of today.

Records of the Prime Minister's diary show that she did indeed take tea with Lord Rothschild on 27 August 1980 in Cambridge, after a visit to the Department of Molecular Biology.

There was no record of the conversation at the tea; nor, so far as I can discover, did a Private Secretary accompany her to the tea party.

I do not think it worth asking the Prime Minister whether she recalls the conversation at this event over six years ago.

NLW

23 January, 1987.

DTS

Ref. A087/181

MR WICKS

You may remember that one of the allegations which Peter Wright makes in his book is that, when he was in England in the summer of 1980, he discussed with Lord Rothschild how he could make his concerns about penetration known to the Prime Minister; and he records Lord Rothschild as saying to him something to the effect that the Prime Minister was unfamiliar with security and intelligence matters, which she had been discussing with Lord Rothschild "sitting on that couch only a few days ago". This suggested that the Prime Minister had been to see Lord Rothschild at about that time, and had discussed intelligence matters with him; but there was no trace of any such meeting in the Prime Minister's diary.

2. Lord Rothschild is now saying that the Prime Minister visited the Department of Molecular Biology at the University of Cambridge on 27 August 1980, and that, after her visit, she went and had tea with Lord and Lady Rothschild at their home in Cambridge and sat on a sofa in their sitting room. Lord Rothschild does not say, but the implication is, that during this tea party there was some conversation about security and intelligence matters.

3. I wonder whether there is any trace of corroborative evidence of this new story, or whether the Prime Minister remembers going to have tea with Lord and Lady Rothschild in Cambridge on 27 August 1980.

RA

ROBERT ARMSTRONG

23 January 1987

per D10

Prime Minister 2

Ref. A087/71

MR WICKS

The Prime Minister will wish to know that the Peter Wright case seems likely to give rise to a rash of publications.

2. Weidenfeld & Nicolson are commissioning a book on "the Peter Wright episode", which they intend to publish early in the New Year. It is not known who the author will be. It appears that the author expects to rely on material already published in the media.

3. A book is to be published by Secker and Warburg, entitled "Official Secrets", and written by David Hooper, who is Heinemanns British solicitor. This book is expected to be a general study of "the use and abuse" of the Official Secrets Acts, but will include a long chapter on the Wright case.

4. Penguin (Australia) is negotiating with an Australian "expert" on security and spies, Richard Hall, for a book about the trial itself and its implications. Mr Hall was in the public gallery throughout the trial.

5. Finally, Heinemanns are expected to produce a book to be written by Mr Malcolm Turnbull and Mr Paul Greengrass: no doubt the "inside story" of the case as seen from the defence's point of view.

RA

ROBERT ARMSTRONG

8 January 1987

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PART 4. ends:-

NCW to MRS L. JENKINS 23/12/86

PART 5 begins:-

RTA to NCW (A087/71) 8/1/87