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Security

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10 DOWNING STREET

From the Principal Private Secretary

6 October 1980

Dear John,

MR. JOHN STONEHOUSE

The Prime Minister held a meeting this morning with the Home Secretary, Attorney General and Sir Robert Armstrong to discuss the latter's minute A02976 of 11 September 1980.

The Attorney General said that he was sure that Mr. Stonehouse had been a spy for the Czechoslovaks but he had no evidence which he could put before a jury. The new information from the defector referred to in Sir Robert Armstrong's minute was not of the kind which would secure a conviction, and in any case the defector was not prepared to come to this country to take part in a trial. As regards the suggestion that Mr. Stonehouse should be confronted with the new evidence against him, he had been interviewed twice in the late 1960s when he had vehemently denied allegations that he was a spy and had said that his meetings with representatives of the Czechoslovak Government were no more than the usual contacts which any Minister might have with an East European embassy. Since then he had served his prison sentence and had undergone open heart surgery. If he was interviewed again and confronted with further evidence, it was quite likely that he would make a public fuss and claim that he was being persecuted by the Government. The Security Service thought that they would not gain anything by interviewing Mr. Stonehouse. His conclusion was therefore that he should not be confronted with the new evidence and that matters should be left where they were now.

The Home Secretary said that he too was not in favour of confronting Mr. Stonehouse. He did not believe that it would be appropriate to ask the police to undertake this kind of task, and while it would be perfectly possible to use the Security Service, he could confirm that the Director General did not believe that anything would be gained by a further interview with Mr. Stonehouse.

Sir Robert Armstrong said that the case for confronting Mr. Stonehouse turned on the possibility of a leak from the defector who was now in the United States and of subsequent accusations against the Government that there had been another cover up to save people in high places just as there had been in the Blunt case. In such

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circumstances it would obviously be helpful to be able to say that Mr. Stonehouse had been confronted with the new information in an attempt to get him to confess. There was, however, a difference between this case and the Blunt affair in that Professor Blunt had been granted immunity from prosecution and there was no suggestion that this should be done for Mr. Stonehouse. If it was decided not to prosecute Mr. Stonehouse and the defector's story subsequently leaked, the Government's response would have to be that there was not sufficient evidence to sustain a prosecution.

The Prime Minister said that since the defector had not provided information which could be used as evidence, she agreed that Mr. Stonehouse should not be prosecuted. Moreover, the balance of argument was against interviewing him and confronting him with the new information. Matters should therefore be left as they were.

I am sending copies of this letter to George Walden (FCO), Jim Nursaw (Law Officer's Department) and David Wright (Cabinet Office).

*Yours ever,*

*Alvin Whinn.*

John Halliday, Esq.,  
Home Office.

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