



Prime Minister 25.
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5/4

Ref. A084/2961

MR BUTLER

Thank you for your minute of 2 November, asking me to consider urgently whether there is any way in which the developments reported in Box 500 Report POLF 299-24/SB(8CO)/F2N/1 could be prevented.

2. There are no powers which could be used to prevent the transfer of funds from abroad to the National Union of Mineworkers (NUM) or to somebody nominated to receive them on behalf of the NUM in this country.
3. Once received by or paid to the account of the NUM in this country, such funds would be of considerable interest to the sequestrator. The NUM could be expected to try to keep any such funds away from his grasp or notice.
4. It is probable, therefore, that funds would be remitted in the first instance to an account in a European centre - for instance, to an unnamed account in a Swiss bank - and that the transfer from there to this country would take the form of a movement of bank notes. If a representative of the NUM could be detected entering this country with a suitcase full of bank notes, it might be possible to arrange for him to be stopped and searched by Customs. They would have no power to impound the notes, but they would inform the Inland Revenue and the police of any suspiciously large volume of banknotes which they detected. Such a discovery might well leak: the Customs can be a deplorably leaky organisation, and so can the police. There is also the alternative of reporting it to the sequestrator.
5. Those concerned are exercising vigilance for any indications of movements of NUM staff to foreign destinations which might be for the purpose of collecting consignments of notes.



6. If we become aware of any movements of funds to the beneficial account of the NUM through banking channels, they can be discreetly reported to the sequestrator.

7. Mr Scargill has already admitted to being in contact with and receiving assistance from Soviet and other East European trade unions. Steps are being taken to prompt journalistic inquiries of Mr Scargill as to whether he or other members of the NUM have been in contact with the Soviet or any other East European embassy to discuss or receive the provision of aid. His replies are likely to be evasive if not deceitful; but the fact that they are so could well sooner or later become a matter of public knowledge.

8. I am afraid that this is not certain to yield results, but I am satisfied that it is the best we can do. I have made arrangements to give very quick consideration of possible courses of action, if those who are exercising vigilance get a break which we can exploit.

RA

ROBERT ARMSTRONG

5 November 1984