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Meeting with Garfield Weston now fixed by SSMI for 24 September. Suspend action until after that.

PRIME MINISTER *C.D.P. 21/9*

Prime Minister 18

This is very serious. Obviously our Ambassador must do all he can to try to block payments from the account.

Ought you to speak to the Taoiseach (in guarded terms) on the telephone? He rang you on this subject in January.

PIRA THREAT TO SUPERMARKET CHAIN

I don't nor do you on the phone

You may recall at the beginning of this year we learnt of a threat by the PIRA to a supermarket chain in both the North and South of Ireland owned by the Weston family. The background is set out in your Private Secretary's letter to this office of 11 January recording a conversation which you had with Jim Prior on that date. Since then there have been conflicting reports on whether the Weston family have agreed to pay over the protection money demanded. Jim Prior, who knows Garfield Weston well, received assurances from him as recently as 11 July that no money had been paid over and similar statements have been made to the police. But information has been building up which suggests that the Weston family in fact decided some months ago to meet the PIRA demand.

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The belief of the Irish police that the money had been paid over by the Weston family was mentioned to Jim Prior when he visited the Taoiseach and Mr Barry in Dublin on 30 August; but the details stated above have only just come to our attention. The intelligence comes from a sensitive source and is not in the form of evidence which can be given to the Bank of Ireland as grounds for preventing the remaining money from being drawn out. Representations were made to the Irish Government through the Embassy in Dublin on 18 September to see whether they could put pressure on the bank

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to freeze the account; but although the matter was I understand referred to the Taoiseach and the Attorney General it seems they concluded that nothing could be done to stop the money being paid out, since there was no way of establishing a link between the transaction and the PIRA. Nor could foreign exchange regulations be used to prevent the money being paid out. Nevertheless, I understand that the Garda have persuaded the bank to delay payment for the time being. As far as I know, the position today is that the balance of the money has not yet been drawn out.

I do not need to emphasise the very serious consequences of such a large sum of money finding its way into the hands of the PIRA and being used for the purchase of arms. I hope that HM Ambassador will continue to do all in his power to encourage the Irish Government to find a way of frustrating this transaction. I have today discussed the matter with Mr Prior, and he and I will seek an early opportunity to see Mr Garfield Weston to emphasise the very serious implications of what is happening.

I am copying this minute to the Foreign and Commonwealth Secretary and the Home Secretary.

Cusham Lankford

D H

20 September 1984

(Approved by the Secretary of State
and signed in his absence)