

MR. WICKS

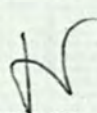
RICHARD HOLT

You may be interested in the current state of play on Mr. Holt's libel action. I have now received the attached letter from Treasury Solicitors which is not altogether reassuring. But I do not see there is anything we can do about it.

I have been discussing the subject with the Chief Whip and Murdo, who raised the even more uncomfortable proposition that the Prime Minister might be called by a Defence which was out to cause mischief. You will recall that an attempt was made by Ron Brown MP to call the Prime Minister as a witness in rather different circumstances some time ago. We avoided this outcome by submitting written evidence.

Partly to sooth Mr. Holt and prepare him for the rejection of his request for assistance from No. 10, and partly to persuade Mr. Holt to drop all mention of the Prime Minister from his action, the Chief Whip saw him this week. He suggested to Mr. Holt that it would be a magnanimous gesture, given the end of the teachers' dispute, if he were now to drop his libel action. Mr. Holt seemed rather struck by this idea and undertook to discuss it with his solicitor. I am not entirely hopeful of a favourable outcome here, however, since Mr. Holt appears to believe that he will be able to get costs. If he proceeds with the action, the Chief Whip undertook to consider whether there was any further assistance which might be given which did not involve the Prime Minister, such as a written answer from DES.

The chances of avoiding unpleasantness seem reasonably good. The Chief Whip's ministrations seem to be inducing somewhat more realism in Mr. Holt's approach. I suggest, however, that we maintain our guard against giving the slightest indication that we are prepared to get involved.


Timothy Flesher

16 May 1986

DG2BBQ

T. Flesher

Noted, thly.

N.C. - J.

16.5.

Sherrine

G. W. C.

N.