PRIME MINISTER

THE MURPHY FAMILY V. THE SUNDAY TIMES

Woodrow Wyatt spoke to you this morning about the legal action being taken by the Murphy fmaily against the Sunday Times. He has now sent you the attached fax and is likely to telephone you again tomorrow to discuss it.

There is a history to this case and I attach the most recent advice we have received from the Cabinet Office. As you will see their judgment is:

- that sufficient evidence could not be made available by a member of the security forces materially to assist the Sunday Times' case, putting sources of intelligence information at risk of identification
- if such information was available in the form of evidence, we would have prosecuted the Murphys ourselves
- it seems most unlikely that bald assertions by a member of the RUC would carry much weight in a Dublin court
- and the security of the witness would be at risk.

This has been gone into most carefully by the Security Service in other Departments and, regrettable as it is, it seems that we really cannot help. Have bed DID

C00

Charles Powell 31 October 1989

c: murphy (mj)

B

Most Secret The Murphy Family V. The Sunday Times P.M.

According to intelligence sources, Thomas "Slab" Murphy is the most notorious IRA terrorist alive today. He is credited with more than 100 murders, which include the 17 soldiers who died at Warranpoint. He is also believed to have organised the murder of two senior RUC officers last March. Also felial Mount faller murdy.

Together with his brother, Patrick, and the rest of the family, they enjoy a considerable income, estimated at a minimum of £400,000 a year. This derives from two main sources. First, smuggling and EEC linked fraud, largely based on operations within Thomas's farm which straddles the border just south of Crossmaglen; and second, the collection of large sums from British book and newspaper publishers on the settlement of libel actions against them in Duklin. In 1987 The Mail paid £15,000 after having accused Thomas of kidnapping Don Tidey; £60,000 each was paid to Thomas and Patrick in March of this year on the settlement of their claims against James Adams' book accusing them of terrorism; and The Sunday Times now faces similar claims arising out of an article published in June 1985, due to be heard on 7th November, where the damages, whether on settlement or on awards by a jury, are likely to be substantially higher. Thomas, Patrick, Francis and Elisabeth Murphy have also launched similar actions in Belfast based on the same article as well as a magazine piece, based on James Adams' book, published in mid-1986.

FAX TO	LICEDROW WYATT
THE RESIDENCE OF THE PARTY OF T	59 12 PAGE: 1 OF: 2
ATTENTION OF:	
FROM: JAMES AD	AMS DATE: 31/10
COMPANY:	FAX NO: Het No: 7688

6. W

B

PM. The Murphy Family V. The Sunday Times

According to intelligence sources, Thomas "Slab" Murphy is the most notorious IRA terrorist alive today. He is credited with more than 100 murders, which include the 17 soldiers who died at Warranpoint. He is also believed to have organised the murder of two senior RUC officers last March. Also felian Mount fatter murder.

Together with his brother, Patrick, and the rest of the family, they enjoy a considerable income, estimated at a minimum of £400,000 a year. This derives from two main sources. First, smuggling and EEC linked fraud, Largely based on operations within Thomas's farm which straddles the border just south of Crossmaglen; and second, the collection of large sums from British book and newspaper publishers on the settlement of libel actions against them in Duklin. In 1987 The Mail paid f15,000 after having accused Thomas of kidnapping Don Tidey; £60,000 each was paid to Thomas and Patrick in March of this year on the settlement of their claims against James Adams' book accusing them of terrorism; and The Sunday Times now faces similar claims arising out of an article published in June 1985, due to be heard on 7th November, where the damages, whether on settlement or on awards by a jury, are likely to be substantially higher. Thomas, Patrick, Francis and Elisabeth Murphy have also launched similar actions in Belfast based on the same article as well as a magazine piece, based on James Adams' book, published in mid-1986.

FAX	TO: LICENTROLD LOYATT
FAXNO: 86	59 12 PAGE: 1 OF: 2
ATTENTION OF:	
FROM: JAMES	ADAMS DATE: 31/10
COMPANY:	FAX NO: Het No: 765

If the truth about this family could be proved in the Dublin court - for the Murphys the most, and for us the least, advantageous forum - they would not get a penny. Indeed, if that were the position it seems inconceivable that they would have sued at all. But the fact is that the truth cannot be proved, and the Murphys know it. The only people who can testify are security service personnel, the police and the Army. They are only too willing to say what they know, but are prevented from doing so by the government.

The impact of this effective perversion of the law of libel, and the torpedoing of any viable defence by the Government's refusal to provide admissable evidence, will be threefold. First, the IRA will be denied the suffocation of the bad publicity it deserves. Second, libel actions on even the slightest defamatory references to the IRA will profilerate. And third, the riches thus generated will ensure that the IRA arsenals and armouries are far better equipped than ever before.

Court - for the Murphys the most, and for us the least, advantageous forum - they would not get a penny. Indeed, if that were the position it seems inconceivable that they would have sued at all. But the fact is that the truth cannot be proved, and the Murphys know it. The only people who can testify are security service personnel, the police and the Army. They are only too willing to say what they know, but are prevented from doing so by the government.

We are therefore in a position of having no realistic alternative to settling litigation in the certain knowledge

(a) that the exercise makes a total mockery of justice, and

(b) that the money is bound to end up in IRA pockets. Unless something is done, the Murphy award/settlement will set a libel record in the Irish courts, only to be exceeded by the possible £1 jackpot awaiting collection by Father Patrick Ryan from the British media.

The impact of this effective perversion of the law of libel, and the torpedoing of any viable defence by the Government's refusal to provide admissable evidence, will be threefold. First; the IRA will be denied the suffocation of the bad publicity it deserves. Second, libel actions on even the slightest defamatory references to the IRA will profilerate. And third, the riches thus generated will ensure that the IRA arsenals and armouries are far better equipped than ever before.