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*From the Principal Private Secretary*

11 December 1986

THE PETER WRIGHT CASE

The Prime Minister held a meeting this evening to discuss the present position and prospects in the proceedings in the Peter Wright case; machinery for handling such cases in future; Parliamentary handling and the future policy on unauthorised disclosure. (The position of Lord Rothschild was not discussed.) The Lord President, Home Secretary, Attorney General, Sir Robert Armstrong, Sir Percy Cradock and Mr. Mallaby were present.

The Present Position and Prospects

The Prime Minister drew the meeting's attention to the letter from the Solicitor General of Australia which commended Sir Robert Armstrong on his performance in the witness box in Sydney. It was agreed that the Government owed him a great debt of gratitude.

It was reported that Mr. Justice Powell would probably reserve his judgement, perhaps until after Christmas. If judgement was delivered while Parliament was sitting, there would be great pressure for statements and demands for PNQs. Except in the unlikely event of a favourable judgement, the Crown should appeal. Ministers needed advice on the procedure for making an appeal; in particular, they needed to know the usual time which elapsed in the Australian courts before appeals were lodged, and the shortest possible time which could be envisaged before an appeal was announced; and how the injunction could be sustained during that period. It would be vital for the injunction to be maintained preventing publication of the book while Ministers were considering a decision to appeal. It was agreed that the Cabinet Office, in consultation with the Law Officers' Department and our Australian Counsel, would present early advice to Ministers on these aspects so that they could be ready to come to quick decisions on the appeal. Ministers preliminary view was that there was some advantage in lodging the appeal quickly, well within the normal timescale for such appeals in Australian courts.

More generally, it was thought that there was a real prospect that Wright's book would be published in some form.

Even if the Government were unsuccessful in continuing the injunction in Australia, there was a real risk that the book would be published in, for example, the United States or the Republic of Ireland. The Prime Minister said that all future work needed to take this risk into account so that we had ready-prepared a course of action if the book was published.

#### The machinery for handling such cases in future

Sir Robert Armstrong said that he was discussing with departments the machinery for handling future cases and would put proposals to the Prime Minister by the weekend.

#### Statements to Parliament

In discussion, it was argued that there were strong disadvantages in the Prime Minister making an oral statement since this would subject her to a difficult and sustained cross-examination, often by hostile Labour backbenchers. This suggested that a statement by written answer might be a better vehicle.

Against that, it was emphasised that there might be a case for a weighty statement, directed at responsible public opinion, which would explain the role of the Security Services and their contribution to protecting democracy in this country. Such a statement would help the morale of the Services, which must have been undermined by recent events. It was further argued that while we should avoid making any statement likely to disclose sensitive security information, there were merits in adopting a rather more forward policy in explaining the role of the Security Services than hitherto. A statement might refer to the threats, the contribution of the Service Services in protecting ordinary citizens from those threats, and the need for secrecy. Some substantial figures on the Conservative backbenches had an ill-defined unease about the function of the Security Services. They were likely to become more difficult if something was not done to satisfy their unease.

Summing up this part of the discussion, the Prime Minister said that it was not possible to come to any decision about a statement without seeing a possible draft. The Cabinet Office, in consultation with Sir Percy Cradock, should produce a draft of a possible statement. If the Home Secretary thought it helpful, the statement should be considered by his ad hoc group before it was submitted to the Prime Minister. It was important to avoid the trap of drafting the statement in a way which solved today's problem at the expense of creating tomorrow's. The Government should avoid undertaking anything which would circumscribe their future freedom of action. If any statement were to be made, it would be necessary to explain the Government's approach to senior backbenchers so as to prepare the way for a good reception of the statement.

Future policy on unauthorised disclosure

The programme of work of officials described in the attachment to Sir Robert Armstrong's minute of 9 December was endorsed. In addition officials should prepare papers for Ministers on the following:

- (i) An examination of the possibility of revising the Maxwell Fife directive; and of extending it to the other agencies.
- (ii) A reconsideration of the policy of non-avowal of the SIS;
- (iii) The possibility of broadening the Security Commission's role so as to meet the more legitimate concerns of backbenchers while preserving Ministers' responsibility and accountability for the Security Services.
- (iv) Work on the proposed staff counsellors for the agencies should be carried forward urgently so that Ministers can consider an early announcement. Consideration should also be given to the creation of an "Inspector General for the Security Services" who might present an annual report to relevant Ministers, taking into account any relevant foreign experience.

I am copying this letter to Joan MacNaughton (Lord President's Office), Tony Galsworthy (Foreign and Commonwealth Office), Michael Saunders (Law Officers' Department), Christopher Mallaby and Trevor Woolley (Cabinet Office), and to Sir Percy Cradock.

N.L. WICKS

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Home Office.