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FROM: JONATHAN M RODELL
PS/SECRETARY OF STATE (L)
29 JANUARY 1993

cc PS/Sofs (B&L) - B
PS/Mr Mates (B&L) - B
PS/PUS (B&L) - B
Mr Ledlie - B
Mr Thomas - B
Mr Steele - B
Mr Bentley, HOLAB
Mr Bell - B
Mr Deverell - B
Director, TFU - B
Mr Leach
Mr Brooker - B
Mr Cooke - B

Mr West - B

MEETING WITH MARSHALL STEWART: LIBEL ACTION AGAINST CENTRAL TV

The Secretary of State was grateful for your minute of 25 January providing briefing on the request from Central Television for assistance in the liable action they are defending in the Irish courts relating to a programme in 1989 about the fundraising activities of the IRA. The Secretary of State met Mr Stewart, Director of Corporate Strategy at Central TV, in his office in Old Admiralty Building at 2.30 pm yesterday; Mr Bentley, Mr Brooker and I were also present.

2. Mr Stewart began by explaining that the current expectation was that the case would come to court at the end of the year. His company viewed the matter very seriously, not only was there a possibility that the IRA might profit from this action there were also significant implications for investigative journalism as a whole. The eight plaintiffs would claim that the programme had damaged their good reputation in the Republic. Central's case rested upon the Government's decision to withdraw funding from Conway Mill. Father Wilson would claim that this decision had nothing to do with terrorism but was simply a feature of the Government's discrimination against Nationalists. What Central needed was an official statement explicitly stating that the withdrawal of funds was a direct result of paramilitary links.

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3. The Secretary of State explained that the Government's policy was to refuse funding to organisations from which those funds might conceivably pass into the hands of paramilitaries. To explain the decision in any particular case, however, would put at risk the intelligence sources upon which that decision was reached especially when the case was to be heard in a foreign court where the witness would not be immune from cross-examination. Agreeing to provide such evidence would also have the effect of undermining the Government's ability to plead public immunity in future cases. It was very unfortunate but there appeared to be little that could be done.

4. Mr Stewart raised the possibility that the evidence might be given under commission in London. The Secretary of State agreed that this would avoid the possibility of a witness being held in contempt if they refused to answer questions but it did not overcome the point about public interest immunity doctrine. He encouraged Mr Stewart to look for other sources of evidence. Mr Stewart agreed that the RUC had already been helpful. The Secretary of State pointed out that Merlyn Rees had agreed to give evidence. Mr Stewart said that the lawyers were also interested in receiving information from the FCO about expulsion of one of the plaintiffs from the United States. The Secretary of State encouraged Mr Stewart to present a shopping list of information which would be helpful and promised to do all that was in his power to help.

5. Changing tack, Mr Stewart said that Central's lawyers were beginning to suggest that it was in their interests to seek an out of court settlement and indeed there were some in the company who thought a low six figure sum plus costs was beginning to look like a relatively painless outcome. The Secretary of State said that, while it was clearly Central's money and he could not advise them on this point, he did not see how they could justify such a decision at this stage when it was still unclear what their shopping list would produce. He pointed out to Mr Stewart that even though one of the Murphy brothers had won his case against the Sunday Times he had been awarded only £15,000. It would certainly be possible to produce a long list of Nationalist organisations that were funded by

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the Government and that should see off Father Wilson. It appeared that the Garda were prepared to evidence and it would be interesting to find out what they would be prepared to say. They could certainly knock a hole in the idea that the plaintiffs had good reputations in the Republic to damage. Mr Stewart promised to submit a shopping list in the near future.

SIGNED

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