CENTRAL PERSONNEL GROUP

FROM: J G HUNTER

DATE: 25 MARCH 1999

TO: MR SEMPLE

cc: Mrs Angus AS 102 6400

COMMENTS ON GRAHAM GUDGIN IN THE IRISH NEWS

You asked if we saw any complications arising from Graham Gudgin's attempts to have the Irish News publish a retraction of references to him inn its edition of 15 March 1999, given his position as a "temporary" Civil Servant.

I do not think that the limited action which he has taken to date would cause us any great anxiety, as we do not see it as a breach of the rules on conduct. Whether it was advisable for him to use the offices of a solicitor with a family connection to the Irish News to raise his complaint is another matter, since it could be construed as trying to use undue influence.

We have spoken to the Cabinet Office on the issue and, while they were able to offer general advice on the inadvisability of pursuing defamation of character cases through the courts and the need for government lawyers to take a view on the chances of success, they had not come across any directly comparable cases.

My advice is that you should simply acknowledge receipt of Mr Gudgin's letter, but mention that there should be prior consultation if he thinks it necessary to take things further. By the way, the Information Service have not come across any retraction in the Irish News to date.

I enclose a draft reply on the lines of the above.

J G HUNTER

DRAFT

ME NP 349(22

Mr G Gudgin Office of the First Minister (Designate) Parliament Buildings Stormont BELFAST BT4 3SW

March 1999

Dear

Thank you for your letter of 16 March 1999 about the steps which you have taken in relation to comments which have appeared about you in the Irish News. I appreciate being kept informed about this matter.

Should you contemplate any further action I would be grateful if you could let me know beforehand so that I can consider whether it might be appropriate to offer some advice given your temporary status as a Civil Servant.

Yours sincerely

JOHN SEMPLE

Hidden copy:

Mr Hunter



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cc: Mrs Angus

From: JG Hunter

Date: March 1999

To: **2**\$/Mr Semple

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JOHN SEMPLE



THE NEW NORTHERN IRELAND ASSEMBLY OFFICE OF THE FIRST MINISTER (DESIGNATE)

Telephone:	01232 521260
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Parliament Buildings Stormont Belfast BT4 3XX

Mr John Semple Head of the NICS Castle Buildings Stormont Estate BELFAST

16 March 1999

Dear John

As I mentioned yesterday there have been a series of attacks on me in the press which I feel unable to respond to, most recently in last Monday's Irish News.

In the past I have tended to ignore much of this, but now feel that it could be dangerous to become demonised. I have thus asked Brian Garrett of Elliot, Duffy Garrett to obtain a retraction in the Irish News, Since Brian's son-in-law is the proprietors son and feel he is likely to succeed without resorting to heavy pressure.

Brian's letter to Jim Fitzpatrick is attached. Please let me know if you have any comments.

Best wishes.

AM GUDGIN

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Mr James Fitzpatrick Senior Irish News Limited 113-117 Donegall Street BELFAST BT1 2GE Our Ref: JBG/IA

Your Ref:

Date: 15 March 1999

Fax 337453 - 3 Pages

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Dear Jim

Without Prejudice Dr Graham Gudgin

I refer to our discussion earlier today when I confirmed that my client, Dr Graham Gudgin, has consulted me in relation to a number of references to him which appear in today's issue of The Irish News. As I mentioned I have explained to Dr Gudgin that in view of my relationship with you it would not be open to me to accept instructions to issue proceedings against The Irish News and Dr Gudgin accepts this. Dr Gudgin has, however, emphasised that his essential concern is to have an adequate retraction in The Irish News and he would, I understand, be willing in such circumstances to abandon any other claim and not seek damages or costs.

The offending sections of the newspaper references today are as follows-

Page 2 under the heading "Trimble wins praise for equality pledge" where it is stated "Last year Mr Trimble drew criticism from Mr Farren whenever he appointed controversial economist Dr Graham Gudgin as a key advisor. Dr Gudgin has argued that there is no proof that discrimination played any part in higher levels of Catholic unemployment.

> Mr Farren said he didn't know if Mr Trimble was still taking Dr Gudgin's advice, or whether that advice had changed, but what he was saying definitely marked a "new approach"."

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Editorial page 10 - Here in the context of David Trimble's speech at the weekend pledging that he would tackle the problem of high unemployment in the Roman Catholic community it is stated "As recently as last year Mr Trimble's own economic advisor, Dr Graham Gudgin, was disputing figures which reinforced the almost universally held opinion that Catholics in Northern Ireland were more likely to be unemployed than anyone else.

Pariners: J. Brian Garrett, Bavry E. Thompson, Michael P. Lynch, Harry Coll O.B.E., W. Laurence Mahood, Michael Wilson,

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And of course, early in the history of Stormont, some unionist leaders, with their disgraceful statements, did little to discourage discrimination against Catholics. At least one said he "wouldn't have one (a Catholic) about the place".

How Mr Trimble goes about addressing this problem remains to be seen. Perhaps a first step would be to persuade people like Dr Gudgin that there indeed is a problem and that discrimination has played its part. Recognition could be the first step to recovery."

As you may know Dr Gudgin is a former Fellow in Economics in Selwyn College, University of Cambridge, and he was until recently Director of the Northern Ireland Economic Research Centre. Dr Gudgin is currently Special Advisor to David Trimble, the Designate First Minister.

You may be interested in fact to know that Dr Gudgin, in his role as Special Advisor, had a large hand in the preparation of the speech made by David Trimble in New York at the weekend on the subject of employment and the Catholic community and this speech has, of course, been widely praised (including in The Irish News it should be added).

Dr Gudgin stresses that at no time did he ever suggest (in any speech or research paper etc) that Catholics in Northern Ireland were not more likely to be unemployed than others. It is true that Dr Gudgin, in a paper published a few years ago, analysed employment statistics in Northern Ireland and argued that the statistics showed that, during the period since 1971, statistics showed that Catholics had gained all of the net increase in employment. Dr Gudgin, however, never suggested that there had not been discriminatory practices against Catholics and he never suggested that there was not greater unemployment in the Catholic community.

The trouble with the offending material mentioned above is that it is not only inaccurate in attributing views to Dr Gudgin which he simply has never held or expressed but it has placed these in a context which suggests that Dr Gudgin would tolerate or casually disregard discriminatory practices against the Catholic community (or any other community).

In the light of my instructions I am confident that Dr Gudgin would be willing to accept a retraction in an early edition of the newspaper placed in a reasonably prominent place. I am authorised to propose the following as the form of retraction:-

'Dr Graham Gudgin

In The Irish News published on Monday, 15 March 1999 references were made to Dr Graham Gudgin the Special Advisor to Mr David Trimble, Designate First Minister. Dr Gudgin is a highly qualified economist and until recently Director of the Northern Ireland Economic Research Centre. He was formerly Fellow in Economics at Selwyn College, Cambridge.

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The references in The Irish News wrongly indicated that Dr Gudgin had in the past expressed views that Catholics in Northern Ireland had not experienced higher unemployment levels than others. These references were made in a context which may have suggested that Dr Gudgin willingly overlooked or was not concerned by past discriminatory practices in Northern Ireland. The Irish News accepts that such suggestions are wholly false. Dr Gudgin at no time maintained that levels of unemployment were not higher in the Catholic community and he has never expressed views which would indicate that he would tolerate or overlook discriminatory practices where these are shown to exist. The Irish News accordingly offers its sincere regrets to Dr Gudgin for these references and for any distress caused."

Yours sincerely

Garrett

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