



●
**Response
to the
Lightman
Inquiry**

●
**ARTHUR
SCARGILL**

●
50p



INTRODUCTION

Following allegations in the *Daily Mirror* and on Central Television's *Cook Report* that the two NUM National Officials, Peter Heathfield and I, in 1984 used Libyan monies which had been donated for the benefit of the Union or its members to repay personal mortgages/loans and that £1 million from the Soviet Miners' Union had gone missing, an independent Inquiry was established to investigate these accusations.

The Inquiry, headed by Gavin Lightman, QC, lasted for more than three months and involved examination of a large number of witnesses, inspection of all books and accounts and the submission of written evidence from many sources.

The Lightman Inquiry has completely cleared the two National Officials, concluding that we ***did not use any*** monies received for or on behalf of the NUM or its members or for hardship purposes to repay personal mortgages or loans.

However, having cleared the National Officials of the allegations, the Inquiry then used the evidence we had given voluntarily to the Inquiry to criticise us for operating a series of bank accounts and one cash account between 1984 and 1989.

These were accounts used to sustain the Union during the 1984/85 strike, the sequestration and receivership periods and through the difficult time when (at the Receiver's instigation) an action for breach of trust was brought against Peter Heathfield, Michael McGahey, Arthur Scargill and NUM Area Officials John Burrows and Ken Homer, and former Chief Executive Officer Roger Windsor (an action which was not resolved until 1988 and for which correspondence was still being received as late as 1989).

The Inquiry's main criticism is that the National Officials did not reveal the

existence of these accounts during sequestration and receivership, and more important, did not reveal their existence after receivership was discharged in 1986.

The Inquiry also criticises the National Officials for not obtaining prior consent from the Union's National Executive Committee (NEC) before obtaining a personal loan from the Miners' Trade Union International (MTUI) or International Miners' Organisation (IMO) in the years after the end of the miners' strike.

It raised questions about the ownership of monies (currently in an international trust fund) sent by the Soviet Miners' Union to the Miners' Trade Union International (MTUI) in 1985 which may or may not belong to the NUM.

It criticised as "misleading" a report given by the National Officials to a special meeting of the NEC on 9th March 1990 following the media allegations.

It criticised the way in which the records of the accounts used to sustain the NUM between 1984 and 1989 were kept by the National Officials.

It was critical of what it viewed as "intermingling" of NUM funds and IMO funds.

And, finally, it was critical of the IMO itself.

I will deal with all the areas of criticism and explain why the National Officials had to operate in the way they did to sustain the Union, pay NUM creditors, repay trade union loans and ensure that money was available to the Miners' Solidarity Fund for victimised miners.

The first area of criticism is perhaps the one which has been most publicised in this entire affair—the question of money from the Soviet Miners' Union. I will also deal with the issue of "Libyan cash", although this is not an area of criticism in the Lightman Report.

USSR

The Lightman Inquiry states that it is "satisfied" that money was raised in the USSR, GDR and Hungary for the benefit of the NUM and that it is highly likely that the Soviet miners and miners in the GDR and Hungary did contribute money to the Narodny bank account in Poland which they must have believed was operated on Mr Scargill's instruction and was the appropriate channel to pay money for the benefit of the NUM.

It is not surprising that the Lightman Inquiry is satisfied that money was raised in the USSR for the benefit of the NUM because *I told* the Union's NEC and the Inquiry that the Soviet Miners' Union tried to send \$1 million to the NUM in 1984 but was unable to do so because of sequestration and receivership.

In written evidence to the Inquiry, the former Secretary General to the MTUI (Alain Simon) has confirmed that the Soviet Miners' Union did send money to the MTUI for international purposes and this has been substantiated again in writing to the Inquiry by Valery Shestakov (a Russian) who was Secretary to the MTUI in Warsaw in 1984/5. (See Appendix)

Following the abortive attempt to send monies to the British miners in 1984, the National Officials passed information to the Soviet Miners' Union that three separate bank accounts had been opened into which the Soviet Miners' Union could deposit money for the NUM or its members—two had been opened in Dublin in the name of a member of the NUM staff and one, Sheffield Women's Action Group, had been opened in Sheffield.

The Soviet Miners' Union refused to

send any money into the three bank accounts available or give money to the Miners' Action Committee in cash (as the Czechoslovakian and Bulgarian Miners' Unions did).

If they had wished to provide money for hardship purposes all they had to do was send a cheque direct to the Miners' Solidarity Fund.

The Soviet Miners' Union made it clear they would not donate to any of these accounts and insisted they would only put money into an international account under the control of the MTUI for miners anywhere in the world.

At the request of the MTUI the National Officials agreed to assist in the establishment of an MTUI International Trust Account in Dublin, bearing in mind British miners in common with other miners could benefit from such a fund. The MTUI established this fund in January 1985 and all deposits made by the MTUI (apart from one) *were deposited after the end of the British miners' strike.*

All monies deposited (other than those deposited for "safe keeping" by the Miners' Action Committee cash account) were deposited by the MTUI for international purposes. The only Soviet Miners' Union money that we know of was \$1 million donated to the MTUI for international purposes. It was the MTUI in fact who deposited monies into the international trust fund it had established in Dublin and from which the NUM and its members have received benefit.

Soviet Miners' Union had at any time informed the NUM, MTUI or IMO that the \$1 million it had sent to the MTUI was intended for the NUM or its members, then it would have been transferred to the NUM.

In fact, following reports which appeared in the British press in late 1985

suggesting that the Soviet Union and/or Soviet miners had given between £8 million and £10 million in cash to the NUM during the course of the miners' strike, I wrote to the Soviet Miners' Union President, asking him to confirm that the Soviet miners did not send any actual money to the NUM. (See **Appendix**)

He never replied in writing, but did confirm verbally that no money had been sent to the NUM.

Since the publication of the Lightman Report we have seen a letter from the President of the IGBE (GDR Miners' Union) confirming that monies sent by his Union to the MTUI in 1984/85 were intended for various international aims and also confirming that these monies had been deposited in the MTUI account in Dublin under the control of the MTUI Secretary General.

The current President of the Soviet Miners' Union, Vladimir Louniov, interviewed by ITN in Moscow on 11th July has insisted that no monies were sent directly or indirectly to the NUM by his Union and has explained that they collected a little over 2 million roubles

which was spent in the provision of food, clothing and holidays for British miners' families.

The former Soviet miners' President interviewed (again by ITN) on 19th July has now claimed that 1 million roubles was intended for the NUM but agreed that the money was in fact sent to the MTUI in Warsaw (an organisation of which he, Srebny, was Vice-President). He also confirms that "***we did not ask Scargill for permission to send it or otherwise***"—a statement that clearly contradicts an assertion in the Lightman Inquiry Report that I was involved in the decision to send monies from the Soviet Miners' Union to the MTUI.

I have said repeatedly that if the Soviet Miners' Union, even at this late stage, tell us that its intention was to send monies specifically for the NUM (even though we have it in writing that such was not the intention) then I see no difficulty in that money being transferred to the NUM.

I now turn to the issue of "Libyan money."

LIBYA

It has never been disputed that in October 1984 Roger Windsor (then the NUM's Chief Executive Officer) went to Libya at the invitation of the Libyan trade union movement and with my agreement.

Indeed, the National Officials along with Roger Windsor presented a written report to the Union's NEC on 1 November, 1984, in which we said that he had gone to Libya at the request of the Libyan trade union movement to explain the NUM's case; we emphasised that the Union had neither sought nor received any monies from Libya.

It is also a fact that at the end of October/beginning of November, 1984, Roger Windsor handed over two sums of money totalling £150,000 (a total figure he has since referred to on Central TV's *Cook Report*), telling the National Officials it had come from the CGT.

The issue is not about "missing money" but whether or not this money came from Libyan sources.

A number of leading figures in the NUM expressed the view that they would have been perfectly willing to receive money from Libya.

Peter Heathfield said he had "no qualms" about accepting money from Libya, bearing in mind that Mrs Thatcher was accepting oil from that country.

NUM sponsored MP Kevin Barron (currently a member of the NEC), interviewed on 29 October, 1984, for Radio 4's *World This Weekend*, said:

"Obviously there are some things that happen in Libya and done by Libyans in this country that I abhor. But we have a lot of people in this who are

suffering for fighting for jobs in the mining industry.

"As far as I am concerned, if money was available to come to help with that hardship, I would welcome it."

My own position was made clear at the time, and has been consistently reiterated. I agreed that Roger Windsor should go to Libya to explain the Union's case and seek political support to stop the supply of Libyan oil while British miners were on strike, but I was not seeking financial support from the Libyan government.

I also made clear, however, (in a radio interview on 29 October 1984, to which the Lightman Report draws attention) that: "We would welcome financial assistance from trade unionists anywhere."

Now, nearly six years on, Colonel Gaddafi has been reported as saying that he authorised the Libyan General Producers' Union to provide some help for humanitarian purposes to the British miners. An official of that union has also reportedly alleged that a cheque for \$200,000 was handed over (to whom is unclear) and cashed.

If the Libyans or anyone else wished to donate money for humanitarian purposes, why on earth could they not send a cheque direct to the Miners' Solidarity Fund? Indeed, Richard Caborn MP—an MSF Trustee—has said he would have been perfectly willing to accept a donation from Libya to the hardship fund.

If, on the other hand, the Libyans wanted to help sustain the Union itself, there was no reason why they (or anyone) could not have sent a cheque to the NUM prior to sequestration.

Following sequestration, there would have been no reason why they could not have used the Polish bank account

number Roger Windsor claims he gave to the Libyans for this purpose.

The stories about Libyan money have become more bizarre with the passing of time. Altaf Abbasi, a Pakistani "businessman" who has claimed that he delivered three lots of money to Roger Windsor **also claimed on the Cook Report that the Libyans made \$9 million available to the NUM, most of which he says was returned to Libya!**

This story is so outlandish that not even the **Cook Report** or the **Daily Mirror** (to say nothing of the Lightman Inquiry) pursued it. However, I think we should have some explanation!

It is against this background that we should remember that the original allegation made in the **Daily Mirror** and on the **Cook Report** was that from the \$150,000 cash brought in by Mr Wind-

sor, \$25,000 had been used by me to repay a personal loan.

The Lightman Report states that this allegation is "entirely untrue".

It also concludes that \$150,000 "may have been received from Libya", but states firmly that none of this money was used to repay any home loan of Peter Heathfield or myself.

The Lightman Report states that if the \$150,000 **did** represent Libyan money, then—apart from Roger Windsor's loan of \$29,500 plus interest, which was taken from the money in question and which he has never repaid—the balance has been expended in the maintenance of the fabric of the Union.

The Inquiry then went on to criticise the fact that a personal loan which I obtained in 1985 was not reported to the NEC.

BRIDGING LOAN

Months after the end of the miners' strike I wanted to buy a house and sell the one I had lived in for 20 years. I was not receiving any salary (because the Receiver would not pay me) and there was no chance of my getting a mortgage or bridging loan from a bank or building society.

At the time I obtained my loan, in September 1985, the Union was still in receivership, there was a pending breach of trust action against me, and all banks had been circulated with a request to keep watch on my personal banking arrangements.

I had "lost" my 2½ per cent mortgage with the NUM Yorkshire Area through no fault of my own, and I had had to pay out of my personal monies (in respect of repayment of that mortgage) a sum of £22,255.45 to the NUM in August 1984.

The total repayment made by me to the MTUI (including interest and the donation of eight months' salary to the NUM for the period March/November 1985) in respect of the temporary loan is **equal to an interest rate of 16 per cent.**

The Inquiry's allegation that I was a "de facto" trustee of the MTUI international trust account and therefore in breach of duty in accepting a loan is both unfair and inaccurate. I have never been a trustee, a "de facto" trustee or a signatory of this international fund, **and my loan arrangement was with the MTUI and not the fund.**

The loan—which has been fully repaid—was not obtained from the NUM, and I was assured no NUM monies were involved. My house was and is being purchased by the proceeds (£50,000) from the sale of my previous house, a £50,000 Co-op

Bank mortgage and from personal savings.

The Lightman Report says I should have obtained prior permission from the NEC for this loan, or at least reported the loan to the NEC. It would have been impossible to get permission from the NEC because at the time the High Court-appointed Receiver was in charge of the NUM's assets.

I did not report my mortgage with the Barnsley Building Society in 1967. I did not report my £25,000 2½% mortgage with the NUM Yorkshire Area in 1982. I did not report the repayment of my mortgage to the NUM in August 1984, and I have not reported the £50,000 mortgage I have had with the Co-operative Bank since 1987.

Both the National Union in the past and a number of NUM Areas have provided personal loans to full-time Officials on advantageous terms. Some Areas provide mortgages to their Officials at 2½ per cent interest rate. Other Areas provide personal loans at 2½ per cent to members of their Area Council for the purchase of cars.

None of these transactions are reported to the NEC because they have nothing whatsoever to do with the NUM. **I do not accept it is a breach of duty not to report a personal loan obtained from an organisation other than the National Union of Mineworkers.**

I have been assured the loan did not involve any monies which were for the NUM or its members and **the loan transacted months after the end of the strike has been fully repaid.**

Another issue on which the Inquiry voiced criticism was the non-disclosure to the NEC of the existence of a number of accounts through which we sustained the Union, paid creditors and repaid loans between 1984-89.

WHY ACCOUNTS WERE NOT DISCLOSED TO THE NEC

It was always intended that all the accounts which helped sustain the NUM, pay creditors, and repay trade union loans during the period 1984-89 (none of which we regarded as NUM accounts) would be examined by auditors when all creditors had been paid and trade union loans repaid—this task was not completed until December 1989.

It was never our intention to make a report to the NEC about these accounts because we have always regarded them as separate and apart from the NUM. We took the firm view that these accounts could not and must not be linked with any NUM account. The Miners' Action Committee, Sheffield Women's Action Group, First Chicago and Chase Bank Accounts were all established to help sustain the fabric of the NUM and were specifically designed to be separate and apart from the Union.

Indeed, during the period of receivership, Sheffield Women's Action Group was referred to in the High Court but no one—including the Receiver—argued that the Sheffield Women's Action Group account belonged to the National Union of Mineworkers.

The accounts established by the IMO were designed to assist in channelling money back to help pay creditors and repay trade union loans. These accounts were not NUM accounts and of course the MTUI (later IMO) International Trust Account in Dublin had nothing whatsoever to do with the NUM.

We had been informed legally in 1984-85 that trust accounts could be established by organisations like the TUC along with other parallel trusts to assist the NUM to continue working normally.

The operation of all the various accounts (other than those established by

the MTUI or IMO) took place in a period when the Union was involved in a strike, had its assets sequestrated, saw the appointment of a Receiver and faced a major breach of trust action involving the three NUM National Officials and the Trustees of the Mineworkers' Trust—action which was not concluded until 1988/89.

Throughout the entire period all these accounts were operated on a "need to know basis" and press revelations following the National Officials' report to the NEC on 9th March 1990 shows how correct we were in keeping these accounts confidential.

The need for confidentiality was understood and the fact that the NUM Scottish Area signed receipts for trade union loans it did not receive is an indication of the way in which we had to work between 1984-89. Indeed, the NUM Scottish Area were not only involved in signing receipts for monies they did not receive but also worked closely with the National Officials during the period of repayment of the trade union loans up to and including December 1989.

The National Officials had discussions with at least seven NUM Areas who were involved to a larger or lesser extent in handling monies which had been provided with British Trade Union loans.

If these accounts had been disclosed to the NEC we are convinced the information would have been leaked to the press within a matter of hours and we believe we were correct in operating the way we did.

The most important reason for not reporting accounts to anyone—including the NEC—is contained in the Inquiry Report itself.

On page 17, paragraph 52, Lightman makes clear that as a matter

of law loans received from organisations such as the TGWU, NUPE and FBU should have been handed over to the sequestrators or receiver. It would have been unthinkable to accept assistance from the Transport and General Workers Union in the knowledge that nearly half a million pounds of their money was going to be given into the hands of sequestrators. The whole idea of providing trade union loans was to sustain the fabric of the Union, not to give monies into the hands of a court-appointed sequestrator or receiver.

More important, the Inquiry Report makes clear that if the accounts had been made known the loans would not, after the discharge of the Receiver and sequestrators, be repayable as a matter

of law by the NUM.

This means that if the accounts had been disclosed the NUM would not have been able to repay loans to the British Trade Unions which so willingly provided money to help sustain the fabric of the Union.

There is no money missing, all creditors have been paid, all loans repaid and a substantial donation made to the Miners' Solidarity Fund for victimised miners.

Our crime is that we defied sequestration and receivership and we are guilty of doing all in our power to nullify the actions of the establishment and the courts which were hell-bent on destroying our Union.

RECORD OF ACCOUNTS

The Inquiry expressed concern at what is described as a failure to keep proper records in respect of the accounts operated as "third party" accounts helping to sustain the NUM during the strike, sequestration, receivership and to date.

We explained to the Inquiry that we are not accountants or finance officers. ***The fact that we have been able to pay off all NUM creditors, repay all trade union loans in full and make a substantial contribution to the Miners' Solidarity Fund is something worthy of congratulation, not criticism.***

There are no monies missing; there has been no misappropriation.

Whilst, five or six years after the event, criticism may be made that every record and book was not kept up to professional accountancy standard, it has to be remembered we were operating in the most hostile environment ever encountered by a British trade union.

The courts had seized our assets and seemed hell-bent on preventing the Union operating. It was against this background that we sought to sustain the NUM, and I believe we were successful. We apologise to no one for the manner in which we operated during this very difficult time.

REPORT BY NATIONAL OFFICIALS TO SPECIAL NEC MEETING 9 MARCH 1990

The Inquiry alleges that the report given by Peter Heathfield and myself to a special meeting of the NEC on 9 March 1990 (amidst a near-hysterical atmosphere created by the media) was misleading.

The report we presented that morning was not intended to mislead, nor to convey the impression that auditors Peat Marwick McLintock had done a far more substantial job than in fact they had on the accounts whose existence we revealed that day.

The purpose of our report was to demonstrate that the National Officials had asked a firm of auditors to examine the accounts and confirm that a summary prepared was in accordance with the books and records.

We accept, for instance, that the first dates in relation to the Miners' Action Committee fund were backdated. The reason why these entries were backdated by a few days was that we were mindful in October/November 1984 that the High Court had appointed sequestrators to seize the Union's assets.

We believed it was essential to show that the first deposit and withdrawal in that particular account took place before we received notification from the sequestrators.

The transactions which were

recorded in an exchange of letters with the Union's then Finance Officer took place at the end of October/beginning of November 1984. A transaction with the NUM Notts Area (18 November 1984) was not back-dated and substantiates the fact that the transactions took place at the end of October/beginning of November 1984.

The report to the special NEC on 9 March 1990, was compiled and presented to refute the allegations made in the *Daily Mirror* and on the *Cook Report*—that from monies received for or on behalf of the NUM or its members or for hardship purposes \$25,000 was used to repay a personal mortgage for Arthur Scargill and repay a \$17,500 improvement loan borrowed by Peter Heathfield.

The report to the NEC that day was compiled amidst a hysterical "trial by media" campaign against the two National Officials. It is always possible to criticise sections of a report that has been prepared hurriedly and in the atmosphere surrounding us on 9 March 1990.

That report (whatever its shortcomings) did disprove the false allegations made in the *Daily Mirror* and on the *Cook Report*.

The Inquiry was also critical of what it perceived as an "intermingling" of NUM and IMO funds.

NUM/IMO "INTERMINGLING" OF FUNDS

I'm perplexed at the Inquiry's suggestion that there has been an intermingling of NUM funds and IMO funds, or that benefits have been conferred on the IMO at the expense of the NUM through the President's (my) intervention, particularly in connection with the Mineworkers' Trust and Roger Windsor's loan.

It is perfectly true that monies from the Miners' Action Committee "cash account" were held in the MTUI Trust Fund in Dublin and that monies provided by the NUR to the Mineworkers' Trust were "donated" to the IMO's account in the Bank of Ireland Dublin in order to prevent any possibility of them being seized by the Receiver. There was, however, a written undertaking given to the Trustees of the Mineworkers' Trust that full repayment of the loan would be made along with any interest, etc. on demand.

The position, detailed below, is very clear: an NUR "loan" was "donated" by the Mineworkers' Trust to the IMO in order to avoid possible seizure by the Receiver, and other transfers/donations of money from the Mineworkers' Trust to the IMO were on the basis of legal advice. The figures in relation to these movements show in my opinion that there has been no loss as a result.

a) Mineworkers' Trust

The Mineworkers' Trust was established in March 1984 as an independent trust—a fact the High Court finally accepted. The court was concerned that those assets which had been "settled" by the NUM on the Mineworkers' Trust should be returned to the NUM.

The Mineworkers' Trust decision to donate £310,000 to the IMO was taken on the basis of legal advice as were all other transactions involving the donation/transfer of monies to the IMO. We

do not accept there was any intermingling of monies which belonged to the NUM. We do not, for example, think our NUM monies are intermingled with the money from the Co-op just because we bank at the Co-op.

b) Roger Windsor's Loan

The loan advanced to Mr Windsor by the NUM in 1984 was repaid with cash received into the Miners' Action Committee "cash fund" in November 1984. We could not understand then, and cannot understand now, how it is possible to repay the same loan to the NUM twice. It was for this reason that Mr Windsor agreed, in line with legal advice, to repay the loan to the IMO. He has had £29,500 since 1984 and not paid a penny back, in spite of promises to do so. When Mr Windsor does repay his debt to the IMO, then the IMO will pay the money to the NUM.

c) 12 Carver Lane

The property at 12 Carver Lane (Sheffield) was purchased by the Mineworkers' Trust. It was not purchased with NUM money. My letter to the NUM's solicitors dated 26 October 1988 (a copy of which was supplied to the Inquiry) makes clear that the purchase was in line with the legal advice and that it was always the intention of the IMO that this property would be an NUM asset. It is used currently as a car park and *all proceeds* go to the NUM not the IMO.

d) South Derbyshire Area Offices

The NUM South Derbyshire Area headquarters at 162 Alexandra Road, Swandlincote, was purchased with IMO monies, at a time when the NUM was in receivership. It was always intended that this property would belong to the NUM; again the offices were purchased in line with legal advice.

The IMO has signed a declaration that it holds the above two properties (12

Carver Lane and the South Derbyshire Area Offices) in trust for the NUM.

I do not accept the Inquiry's view that there has been any "intermingling" of NUM funds and IMO funds. The funds referred to in this part of the Inquiry report belonged to the Mineworkers' Trust, or were IMO funds which were

used to purchase property for the benefit of the NUM. All these transactions were carried out on the basis of legal advice.

When it comes to the IMO itself, the Inquiry's view is extremely worrying for anyone committed to the international trade union movement.

INTERNATIONAL MINERS' ORGANISATION

I have been deeply concerned by the way in which the Lightman Inquiry has attacked the International Miners' Organisation.

The IMO has been an outstanding success, with a first class record of giving assistance and supporting miners throughout the world.

It is sometimes difficult for people outside the trade union movement to comprehend the problems with which the international movement must contend. Many leaders of our affiliated organisations have been assassinated, while members operate in great danger and under severe restrictions in many parts of the world.

Miners' unions struggling under repressive regimes with colleagues murdered or imprisoned for their trade union activities place great faith in the continuing existence and strength of the IMO.

The IMO various bank accounts have at all times been used in furtherance of the international mineworkers' movement. Neither Secretary General, Alain Simon, or I have unrestricted and unchecked access to any funds of the IMO.

The ordinary day-to-day activities of the IMO (including its account in the Bank of Ireland) are fully reported to the Executive Committee once a year, and to Congress every four years.

All deposits and withdrawals in the international trust account established by the MTUI and later taken over by the IMO are recorded in bank statements. There have, in fact, only been seven withdrawals from this account and all can be accounted for.

A sum of nearly £1 million from this fund has been paid for the benefit of the NUM or its members or to the Miners' Solidarity Fund. In addition, the IMO has purchased from other accounts **for the benefit of the NUM** the South

Derbyshire Area offices, land at Carver Lane, Sheffield, and other monies have been paid to or on behalf of members carrying out work representing the NUM in the international field.

There has not been any criticism of the IMO by any one of its affiliated organisations, and it is deeply disturbing to see the negative reference to the NUM's affiliation of this magnificent international body which represents over 6.5 million members.

The fact that not one IMO affiliate has ever raised any objection or complaint about the way the IMO works is an important fact.

The IMO is one of the few international trade union confederations untainted by the split between East and West since the Cold War. It has enormous symbolic as well as practical importance in the international trade union movement. It is supported by miners' unions from all over the globe: Western and Eastern Europe, Africa, the Middle East, South East Asia, Central and South America.

Its conferences and meetings have been attended by government ministers from all over the world, and as recently as May this year, two ministers from the new Czechoslovakian government were in attendance at an international safety and health conference held outside Prague.

Representatives of the French government and many nations' embassies were present at the opening of the IMO offices in Paris.

The IMO is recognised by the United Nations, the International Labour Organisation (ILO) and the EEC, and it has played a leading role in ensuring that the NUM could survive. It deserves our congratulations and support, not criticism.

CONCLUSION

Since 1984/85 Peter Heathfield and I have done everything in our power to sustain the National Union of Mineworkers and give assistance to the Miners' Solidarity Fund.

Together with the NEC and National Conference in 1984 we defied the Order of Sequestration, we defied the appointment of a Receiver and we sought to protect the Trustees of the Mineworkers Trust who along with the three NUM National Officials were the target of a major breach of trust action initiated by the Receiver in the name of the NUM in 1985.

The National Executive Committee held a secret meeting on the 8th March 1984 and agreed to "locate" large sums of NUM funds abroad with an instruction to the National Officials to do everything in their power to protect monies and make them readily available for use by the Union. In addition, it was agreed to establish the Mineworkers' Trust Fund as a measure to beat sequestration. The NEC has never revealed the decisions taken at that secret meeting, published its minutes or made a report to the Union's Conference. The National Officials in dealing with the various accounts they established followed the example of the NEC.

The National Union of Mineworkers Conference and NEC stood together in this very difficult period and refused to be browbeaten into submission: refused to acknowledge a court-appointed sequestrator or Receiver and in spite of legal advice gave an instruction to the National Officials not to co-operate with either the Sequestrator or Receiver. An instruction we carried out to the letter.

The fact that we succeeded in sustain-

ing our Union through these times should not, in my view, be a matter for condemnation, criticism or attack. On the contrary, to succeed in sustaining the Union, paying off all its debts, all trade union loans and making a donation of £135,000 to the Miners' Solidarity Fund deserves congratulation not criticism.

The Lightman Inquiry has cleared Peter Heathfield and me of the serious allegation that we used monies donated to the Union, or for its members or for hardship to repay personal mortgages or loans.

The criticisms contained in the Lightman Inquiry Report actually deal with matters of law and primarily with the fact that we defied the courts and continued to operate the Union in spite of sequestration and receivership. The criticisms spring from our volunteering information to clear ourselves of allegations of personal misappropriation.

During the past five months, Peter Heathfield and I have had to withstand the most vicious barrage of media abuse and smears in living memory. We have had to face a "trial by media", and the fury against us has at times become hysterical. This barrage is designed not just to attack Arthur Scargill and Peter Heathfield but the NUM itself.

The Establishment cannot forgive the courageous fight of our members, their wives and families in the historical miners' strike.

We have given total commitment to Britain's miners and their families throughout our career in the trade union movement and we call upon all our members for support in our fight against the most vicious media attack on individuals in living memory.

APPENDICES

1. Alain Simon, former Secretary General of the MTUI, present Secretary General of the IMO: *Written evidence to Lightman Inquiry*, 18 May, 1990.
2. Alain Simon: *further written evidence to Lightman Inquiry*, 25 June, 1990.
3. Valery Shestakov, Secretary to the MTUI in Warsaw in 1985: *Written evidence to Lightman Inquiry*, 11 May, 1990.
4. Letter from Arthur Scargill to Mikhail Srebny (then President of the Soviet miners' union), 16 December, 1985.

ORGANISATION INTERNATIONALE DES MINEURS

President: Arthur Scargill
General Secretary: Alain Simon

119 rue Pierre Sénard
93000 Bobigny
France.

Bobigny, 18 May 1990

Our ref. AS/MS

Mr Gavin Lightman Q.C.
13 Old Square
Lincoln's Inn
London WC2A 3UA.

Dear Mr Lightman,

Any other trade-union leader who is really concerned with defending the worker would, no doubt, have had the same reaction; the least I can say is that I was surprised by your letter.

However, I have decided to answer it in order to provide some precise details on the heart of the matter, totally ignored by the hate campaign directed against the NUM and IMO, against their joint conception and practice of a truly independent trade-unionism.

Yes, as leader of the ex-Union Internationale des Syndicats des Mines et de l'Énergie, as leader of the CGT Fédération des Travailleurs du Sous-Sol de France (Fed. of the Underground Workers of France), and in accordance with the democratic decisions of both these organisations, I did everything I could to provide maximum solidarity for my British mining comrades on strike. That was my right and my duty. In so doing, I was quite naturally continuing a positive and effective working-class tradition more than one hundred years old, and I am proud to have done so. All the more so since the present situation in Europe and the world makes the further development of this internationalist tradition imperative.

That the latter should still inconvenience the employers, governments and parties which, openly or otherwise, extol retrograde policies, and all those who support them in their writings or with the weight of their money, is absolutely normal. The historical strike of 1984-1985 was fighting the same causes, the same leaders who have already practically destroyed the British and European coal industry. The strike was for a just cause. I supported it, as did hundreds of thousands of other workers worldwide, unconditionally.

In this context I was able to get to know better and to appreciate men like Arthur Scargill, Peter Heathfield and other NUM leaders. Few men have had such an impact on me as a result of their courage, their determination, their commitment alongside the miners, and by their loyalty, their selflessness and their integrity.

Their qualities were recognized at that time at their true worth both by the British miners and by numerous miners' trade-unions worldwide who in September 1985 decided to make Arthur Scargill and Peter Heathfield eminent leaders of the IMO.

I can see that this constitutes an unbearable example for all those who favour recession and austerity. And although I deplore it, I can well understand the dogged aggressiveness which makes them turn to rumours, but which does little for their standing in the eyes of the 43 member organisations of the IMO and beyond. When one tries too hard to travesty reality, one becomes despicable.

Only bad faith could allow one to ignore the fact that it is Mrs Thatcher and her Government, the British Coal Board and the CECA who are responsible for the mine closures and massive redundancies. No-one has the moral right to forget that in the final analysis they are the ones who are responsible for the 1984-1985 strike.

It is on Mrs Thatcher and her Government that the shame should fall for having seized the NUM's assets, replaced democratically elected workers by an administrator and applied an entire arsenal of anti-trade-union legal measures. The allegations of a conniving gutter-press, and the desire of certain people to satisfy their personal ambitions by settling little personal scores cannot change these facts. To attack Arthur Scargill and Peter Heathfield is more than just aiming at the wrong target; the intention is to blind everyone in order to clear little groups which, at the very worst, are arguing only over minor disagreements.

Instead of wishing to besmirch miners who needed international solidarity simply to defend themselves, it would be more important and more honourable to denounce the people who are still trying to ruin their reputation and crush them as individuals, in the face of the general good.

I hereby declare that this international solidarity took shape in an absolutely normal way, despite the obstacles thrown up by Mrs Thatcher and her Government in order to prevent it. In this respect, the present conflict does not differ in any way from earlier or more recent conflicts.

I hereby declare that management of the assets and of the various funds collected, except for the discretion which the circumstances imposed, was always done honestly and openly.

This might explain why it has taken some people no less than five years to invent, in vain, a few shady areas.

That said, as it had to be, so that all the facets of the facts could be taken into account in order to better understand the situation thus created, here are a few details which are, I think, relevant in the context of your queries.

The Miners' UIS was founded in 1949, under the aegis of the World Trade-Union Federation. I was elected General Secretary in October 1977, and held the post until September 1985. As for the British NUM, it has never been a member of the UIS and has never had any links whatsoever with that organisation. The IMO was founded in 1985 and the NUM was a founder-

member. The Miners' UIS then dissolved.

IMO membership includes 43 organisations of miners and energy workers from more than 39 countries, and total membership is 6.5 million.

Many of these trade-union organisations are in a situation where either the organisation itself or its members have to face serious attacks and persecution. Some of the affiliated organisations are banned. Many are banned from receiving any international financial aid whatsoever.

In recent years dozens of leaders and numerous organisers belonging to our affiliated organisations have been assassinated, thousands have been imprisoned, sacked. The IMO's role obviously includes helping affiliated organisations. Such help, financial and other, is provided under the terms chosen both by the organisations providing the help and the organisations receiving it. Some confidentiality may consequently be required when trade-union rights are ignored and cannot function openly, as is often the case unfortunately.

As for the IMO itself, its funds are provided by the membership fees and gifts paid in by affiliated organisations. For the reasons given above, these membership fees have to be kept confidential in a number of countries, regrettably.

The IMO is run by its Congress, which is held every 4 years. The first Congress, after its foundation, was held in Cairo in 1989. I enclose a copy of its newspaper, to give you an idea of the work done by the IMO. The Executive Committee meets once a year, the Bureau twice a year. The members of the Executive Committee and the Bureau are from all over the world. There is also a Finance Committee which meets at the same time as the Bureau.

In practice, the General Secretary is responsible for the Accounts of the IMO, with the help of a number of permanent Secretaries. The General Secretary must at all times be able to report on his management to the Financial Supervisory Committee, the Bureau and the Executive Committee, made up of members elected by the Congress. In the final analysis it is the Executive Committee which judges past and present management, agrees the levels of membership fees and decides budget policy.

For the reasons already given relating to the absence of trade-union freedom in numerous countries, it should be pointed out that all financial reports are verbal and that, consequently, there are no written minutes relating thereto.

Let me turn now to the questions asked in your letter. As regards points 1, 2, 3, I am sure you will understand that I have no intention of describing in detail each of the bank accounts for which I was or am authorized to sign. I understand that Mr Scargill has given you a number of useful details relating thereto.

Similarly, as regards point 4, I have no intention of confirming or contradicting anything whatsoever concerning the various sources of the funds of the UIS des Mines et de l'Énergie or of the IMO. I can however answer the question included in the context of paragraph 1 setting out your assignment.

Subject to my comments below regarding our solidarity fund, I can affirm that to the best of my knowledge, no money was paid to the NUM, for it or for its members, from the start of the 1984-1985 strike to this day by Libya or the USSR; whether via the UIS des Mines et de l'Énergie, any account held by the latter or by the IMO, or via any account for which I am authorized to sign nor of any other account of which I am aware. I am sure that I would have known about such payments had there been any.

The reservation referred to above is as follows: the Soviet Miners Trade-Union made a gift to the UIS des Mines et de l'Énergie in 1985, and it was agreed at that time by both our organisations that this gift, and all gifts which came from other miners' trade-union organisations, would go into a Solidarity Fund, for use internationally by miners and their unions. For many of them, under the diktat of authoritarian and unjust systems, it is often quite simply a matter of survival.

Mine is one of the authorized signatures of this Solidarity Fund which is presently managed by the IMO and is called the "International Fund for Research, Education, Defense and Aid to Miners". This fund has been used, in accordance with its purpose, and continues to be used on behalf of miners' trade-unions and their members throughout the world. Thus the Moroccan miners of Djerrada were recently better able to consolidate their action and obtain satisfaction for many of their legitimate claims.

I should like to stress the fact that such funds constitute a natural and everyday practice for the trade-union movement both nationally and internationally. Thus the AFL/CIO has just set one up, for its own objectives obviously, aimed at miners' organisations in Eastern Europe.

Thus far I have answered the questions raised within the context of paragraphs 1 and 2 setting out your assignment.

Although you do not ask any questions in the context of point 3 of the definition, I feel it may be helpful for you to know that, at the time when he was without resources, the UIS des Mines et de l'Énergie granted a loan of \$100 000 to Mr Scargill in August 1985. This loan was repaid by him to me in two instalments, as regards the capital portion: on 19th June 1987, cheque from Mr Raley and Mr Pratt, and 25th January 1989 together with the interest.

The sum repaid is to go into our Solidarity Fund.

I should add that the IMO, by internal decision aimed at maximising the freedom of its executive staff, provided a loan of \$60 000 for Mr Heathfield in August 1989, at an interest rate of 10% repayable over five years.

No other loan was granted to Mr Scargill or Mr Heathfield by the UIS des Mines et de l'Énergie or by the IMO.

I trust, dear Mr Lightman, that this letter answers all your queries and, in conclusion, I should like to apologize for the delay in replying, since I was not in France.

Yours sincerely,

Signed: Alain SIMON
General Secretary, IMO.

OIM – ORGANISATION INTERNATIONALE DES MINEURS

Bobigny, 25 June 1990

To Mr Gavin Lightman QC

Dear Mr Lightman,

Thank you for your letter of 14 June 1990. Mr Scargill did in fact ask me to answer your letter of 18 May 1990 promptly. I explained to him that, bearing in mind the situation in the countries of Eastern Europe, I am in constant demand to give an answer to the concerns of the unions of these countries which are for the most part members of the OIM and to deal with each request. As the future of the OIM is at stake, you will understand that this must be my priority.

I also explained to him that I had already sent a letter to Mr Heathfield dated 2 April 1990 and another letter for your attention on 18 April 1990 which, I think, gives my position exactly.

To clarify my position, I state again that to my knowledge no sum of money was received by the NUM or by its members, from the beginning of the strike up to the present, from Libya or from the USSR, whether by the intermediary of the UIS des Mines et Énergie, on an account administered by the UIS or OIM, or by intermediary of an account of which I was signatory, or an account that might be interpreted as mine.

The USSR Federation and other mining unions gave money to the UIS in 1985, and the USSR Federation of Miners, the UIS and the other unions gave their approval for this money to be invested in a fund so that it could be used internationally by miners and their unions.

All the funds to which your question No 19 relates were deposits made at the Irish Intercontinental Bank in Dublin by the UIS des Mines et Énergie of which I was the Secretary-General.

It seems to me that that has nothing at all to do with the British NUM, bearing in mind that it was not a member of our organisation. These are problems internal to the UIS. The enquiry which you head concerns the NUM and not the UIS.

I have explained to you my opinion at length and my assessment of this enquiry and the principles which influence my stance. The French trade union movement has principles and working practices which are not the same as those in the United Kingdom, as I explained to you in my letter of 18 May 1990. This does not amount to a refusal to cooperate in the enquiry which you head but to a stand on principle. As I explained to Mr Brookland, I prefer to reply to questions in writing, as a matter of prudence, in this business. In any case, I will be in Poland all week.

I am convinced that you will find my reply satisfactory and that it will be useful for the conclusions of your enquiry.

Yours sincerely,

(signed) Alain Simon
Secretary-General of the OIM



Président :
Arthur Scargill

Secrétaire Général :
Alain Simon

119 rue Pierre Sépard
93000 Bobigny
FRANCE

Tél. : 48.95.96.87
Telex : 233419
Télécopieur : 48.95.96.88

Bobigny, 11th May 1990

In reply to your question I can confirm that many international mining trade unions including Russian miners contributed financial assistance to the MTUI International Solidarity Fund established in the Irish International Bank, Dublin, in 1985. These contributions were not made to the British NUM. These contributions were used by the MTUI to provide assistance to miners internationally.

I think this is an inalienable right of mineworkers to help their brothers all over the world independently of frontiers and ideological divisions.

V. Shestakov
Shestakov
IMO Secretary
Former MTUI Secretary

INTERNATIONAL
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NATIONAL UNION OF MINeworkERS

ST. JAMES' HOUSE, VICAR LANE,
SHEFFIELD, SOUTH YORKSHIRE S1 2EX

President A. SCARGILL

Secretary P.E. HEATHFIELD

Telephone: 0742 700388

Please quote our reference in reply:

Your Ref:

Our Ref: AS/NM

16th December, 1985

Mr. M. Srebny
President
Central Committee
Coalminers' Union
42, Lenin Ave.,
MOSCOW B-119
USSR

Dear Comrade Srebny,

MINERS' STRIKE 1984/85

A number of reports have appeared in British newspapers suggesting that the Soviet Union and/or Soviet miners gave to the NUM between £8 and £10 million in cash during the course of the miners' strike.

Indeed, one of our Areas has said that a member of the Central Committee of the Soviet Trade Unions told them that £10 million in cash was sent to the NUM.

I am aware that the Soviet miners gave fantastic support to the NUM during the course of the strike, and in particular sent substantial consignments of food and clothing. In addition, I am also aware that they stopped all exports of coal, and prevented the use of Russian ships for that purpose as an act of solidarity with the British miners' Union.

However, in view of the totally unfounded rumours and allegations about financial assistance, could you please confirm that the Soviet miners did not send any actual money to the NUM.

Yours fraternally,

Arthur Scargill
PRESIDENT

All proceeds from the sale of this pamphlet to go to the **Miners' Solidarity Fund** for mineworkers victimised in the 1984/85 strike.



If ordering more,
this pamphlet is available from
Women Against Pit Closures
9 South Crescent,
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South Yorkshire S75 3LJ.

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Campaign to Defend Scargill and Heathfield