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Ref. A05350

PRIME MINISTER

30/7/81.

Anglo-Irish Joint Studies

My meeting with Mr. Nally took place here on Monday 27th July, as arranged (my minute of 13th July to Mr. Alexander). He was accompanied by Mr. Kirwan, his deputy in the Taoiseach's office, and by Mr. Neligan, head of the Anglo-Irish section in the Department of Foreign Affairs. I was accompanied by Mr. Wade-Gery and by Mr. Eyers, of the Republic of Ireland Department in the Foreign and Commonwealth Office. We discussed three topics: possible dates for your next Summit meeting with the Taoiseach; the progress of the joint studies; and the hunger strike in the Maze.

Summit Date

Mr. Nally said that Dr. FitzGerald would not favour a bilateral Summit 2. while the hunger strike remained unsolved, or for a short time thereafter. The rest of his remarks implicitly assumed that this barrier would have disappeared by the autumn. Ideally, he thought Dr. FitzGerald would prefer a date between his return from holiday on 19th September and the reassembly of the Dail on In the light of your departure for Melbourne on 25th September and 20th October. Party Conference preoccupations thereafter, we agreed that this might be difficult to arrange; the week of 21st September might just be possible but would probably be too soon after Dr. FitzGerald's return. We therefore agreed that it might be better to think in terms of the second half of October, both in terms of what was likely to suit you and the Taoiseach and in terms of the work still remaining to be done. Mr. Nally noted that the by-election campaign caused by Doherty's death (and perhaps by the resignation of the other TD in the Maze) would by then be in full swing; but on reflection he thought Dr. FitzGerald might rather welcome the idea of attending a Summit with you early in the campaign. left that the Irish would get in touch with your office about dates, when they saw the way forward more clearly. I emphasised that you would want this meeting to be regarded as one of the regular series of Anglo-Irish bilaterals; among other things, that would have the advantage of establishing the arrangements agreed with Mr. Haughey.

Joint Studies

- 3. On the joint studies, Mr. Nally said that Dr. FitzGerald's attitude was "positive", though non-committal as to detail since he and his colleagues had so far been almost totally preoccupied with economic policy and with the hunger strike. He would not want any change in the studies' ground rules, including strict confidentiality, unless and until he and you agreed otherwise at the next Summit. At that stage he would hope to be able to publish, perhaps in an annex to the communique, a summary of such agreed parts of the studies' product as would reassure rather than alienate public opinion in the Republic and the United Kingdom, and particularly opinion among Unionists. Dr. FitzGerald was conscious of having special links with the latter, and would want to take special pains to allay their suspicions and draw them into whatever processes might be set in hand as a result of the studies. It was in this light that we should interpret his public demands, before his election, that the studies should eschew unnecessary secrecy and should so far as possible involve Northern politicians.
- 4. Procedurally, we agreed to aim before the Summit both to complete the studies so far as possible (identifying areas of difference which could not be readily resolved) and to draft a possible Summit communique annex. Implicitly Mr. Nally saw this as work at official level, which would not commit Ministers. But he let slip that (as we suspected) Irish officials are in fact keeping their Ministers closely informed, as we are keeping ours.
- 5. We did not go far into the substance of the studies. Mr. Nally seemed reasonably confident that they were coming out on the right lines. He made a number of specific comments, of which we took note. The most significant of these was the emphasis he placed on the importance Dr. FitzGerald was likely to attach to including an inter-Parliamentary dimension in the study on institutional structures, as well as an intergovernmental one. This further reflected Dr. FitzGerald's concern to involve, and thus reassure, Northern politicians in general and Unionists in particular; he would also have domestic political trouble selling an East-West intergovernmental structure, which opinion in the Republic would see as "bringing back the British", unless he could couple it with parallel

progress towards developing North-South links between politicians. In reply I stressed the difficulty and danger we would see in trying at this stage to blueprint a Parliamentary structure as well as a governmental one; by being too ambitious we could stimulate opposition and thus make less real progress than by more modest moves.

- 6. Mr. Nally also expressed the hope that the Northern Irish Advisory
 Council now proposed by Mr. Atkins would be developed in a way which would be
 compatible with whatever might come out of the joint studies.
 Hunger Strike
- Mr. Nally emphasised the damage being done in the Republic, and 7. suggested that that was perhaps not fully appreciated here. He described the propaganda and recruiting advances made by the PIRA in recent weeks and the adverse consequences of this for the Irish Government: the diversion of security effort from the Border; the added political uncertainty in Dublin; and the dangers if the PIRA succeeded in destabilising Irish society. But he implied clearly that security co-operation would continue. He was also careful to emphasise that the Irish Government did not wish us to concede either political status or the control of our prisons. Our room for manoeuvre was clearly very limited. But both Governments stood to lose badly if the PIRA continued winning the propaganda war in the North, in the Republic, in the United States and indeed elsewhere. He recognised that the prisoners' demands varied; but he hoped we would seize on their more accommodating statements (e.g. no differential status) and thereby demonstrate our flexibility, to the extent that flexibility was possible. He mentioned the Macfarlane issue, but made no special attempt to reopen it. replied on standard lines, expressing our gratification at Dr. FitzGerald's reported statement last week to the effect that it was now up to the prisoners to decide whether the hunger strike continued or came to an end.
- 8. Mr. Nally's only specific request was that we should improve the flow of information with which we supplied the Irish Government in confidence. The more they knew the better they were in a position to try to help. They had only heard by chance of the recent visit to the Maze by the Duke of Norfolk and

Lord Elton (Dublin telegram no. 261); this was the sort of thing to which they would have had their own means of lending support. They were also well aware that we, like they, had covert contacts with the IRA; reticence was perhaps natural on such a subject, but it would help if in strict confidence we could be somewhat franker. I said only that I took note of their wish for an increased flow of information and would see what, if anything, more could be done.

9. I am sending copies of this minute to the Home Secretary, the Foreign and Commonwealth Secretary and the Secretary of State for Northern Ireland.

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ROBERT ARMSTRONG

30th July, 1981