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22 June, 1982

THE FALKLANDS CRISIS AND ANGLO-IRISH RELATIONS

*Her Majesty's Ambassador at Dublin to the
Secretary of State for Foreign and Commonwealth Affairs*

SUMMARY

The Falklands crisis caused a serious worsening of Anglo-Irish relations (paragraph 1).

2. The Irish supported Security Council Resolution 502 but other factors were at work—anglophobia, parallels with Northern Ireland, genuine distaste at the prospect of bloodshed. Mr. Haughey disillusioned with the British Government (paragraphs 2-6).

3. The Irish switch of policy came when relations were already deteriorating and was prompted by the sinking of the *General Belgrano*. Irish neutrality useful as a cloak for an anti-British attitude. Mr. Haughey may also have been trying to bolster his precarious Parliamentary position (paragraphs 7-9).

4. Responsibility for Irish policy shifted from DFA to political advisers. The Republic's unhelpful activities in the EC and at the UN (paragraphs 10-12).

5. The impact on Anglo-Irish relations may be long lasting. Mr. Haughey's policy divided public opinion here but its effects on Irish exports to Britain and tourism will probably be short-lived. Harmful effect on European Political Co-operation (paragraphs 13-18).

6. We still need to co-operate with our closest neighbour over cross border security and to offer the SDLP an Irish dimension. Mr. Haughey's position as party leader is precarious. We should put relations on a care and maintenance basis until the political scene in Dublin becomes clearer. We shall also need as much sympathy for devolution in Northern Ireland as we can muster in the Republic (paragraphs 19-22).

(Confidential)

Dublin,

Sir,

22 June, 1982.

The crisis and ensuing conflict over the Falkland Islands had, as one of its side effects, a serious worsening of the relationship between the UK and the Republic of Ireland. In this despatch I shall attempt to explain how this happened and to make recommendations for British policy now that the immediate strain on Anglo-Irish relations is passing.

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Introduction

2. Before Argentina invaded the Falklands on 2 April, few people in the Irish Republic knew where the islands were, let alone that they were in dispute. The public position of successive Irish Governments had been one of support for the principle enshrined in the 1965 and 1973 General Assembly resolutions which recognised the existence of a dispute and urged both parties to proceed with negotiations for a peaceful solution. For historical reasons, the Irish tended to sympathise with Argentina as a "fellow victim" of colonialism, although this sympathy was qualified by a recognition of the fact that the islanders preferred to remain British and the Junta's flagrant abuse of human rights.

The first stage: April

3. The Argentine invasion on 2 April surprised and disturbed the Irish Government. The Department of Foreign Affairs found no difficulty in supporting Security Council Resolution 502, given their established views on the peaceful settlement of disputes and the inadmissibility of acquiring territory by force. When the European Community determined on trade sanctions against Argentina, Ireland hesitated briefly but then went along.

4. But from the start of the crisis, factors were at work which were to undermine Irish support. The anglophobia of the green fringe of Irish politics (a minority, but a vociferous one) came quickly to the fore. Their initial satisfaction at Britain's humiliation was succeeded by alarm as the Task Force was mobilised and some of the Irish press condemned "imperialism" and "jingoism". The Irish community in Argentina—which had previously scarcely featured in national consciousness—was discovered to number at least 300,000 and to be enthusiastically behind the Junta. There was, of course, a parallel with Northern Ireland. Those features of the Falklands crisis which most stirred British national feeling (an isolated but long established British community, intensely loyal, under pressure from a hostile neighbour) reminded the Irish of the Unionist community in Northern Ireland and helped them to identify with Argentina.

5. There were other less unworthy motives. Moderate Irish opinion was genuinely disturbed by the prospect of bloodshed over some remote islands they had never heard of. Dissenting voices in Britain were replayed here. The British popular press is widely read in Dublin and the enthusiasm of *The Sun* and the *Daily Express* for a conflict aroused deep misgivings. As one Irish citizen wrote to me (enclosing a cheque for the South Atlantic Fund):

"For the Irish, war has never been a clear and uniting activity; on the contrary, our wars have been insidious, neighbourly-murderous and never heroic. With us war has usually meant brother against brother. We can only envy the classic British infantry spirit, and envy still obfuscates our foreign policy."

So much Irish opinion wished, almost at any cost, to see a peaceful settlement of the crisis and believed that the Irish Republic, which enjoyed good relations with both parties and had a seat in the Security Council, was particularly well qualified to play a diplomatic rôle as peacemaker.

6. During the first month of the crisis the Irish Government reflected the general mood of the country and supported the sanctions which the EC took against Argentina. But the Irish misgivings became evident in off-the-record press briefings from the Taoiseach's Department, casting doubt on the value of sanctions and implying that the Irish Representative at the UN, Mr. Noel Dorr,

had acted without his Government's approval in supporting Security Council Resolution 502. This was the first indication we had that Mr. Haughey had personally taken charge of Irish foreign policy. It is most likely that the greener members of his own party disliked the Republic taking Britain's side and believed that a more traditional Irish policy would have been to follow the dictum that "England's difficulty is Ireland's opportunity". This certainly suited Mr. Haughey's mood. Within minutes of his taking office on 9 March he had said that his Government's top political priority would be Northern Ireland. As Northern Ireland had been mentioned only once in the preceding General Election, and then by Dr. FitzGerald in a responsible way, I felt that we would be in for a difficult time. And so it has turned out. Haughey Mark II differs greatly from the Mark I version we saw from November 1979 to May 1981. It is now clear that by the time he took power again in March this year he felt that his previous policy towards Britain needed to be radically altered, and his speech on St. Patrick's Day in Washington called for a British withdrawal from the North. He considered that his understanding with the Prime Minister at the summit on 8 December 1980 should have led to a fundamental change in the Northern Ireland problem to the satisfaction of the Republic. Various exchanges during the subsequent months showed either how illusory his reading of the December summit had been or how devious he thought British policy had been in our interpreting to Irish disadvantage the spirit of the December meeting. Then came the hunger-strike in May when the H-block candidates took two seats in border constituencies which normally would have gone to Mr. Haughey's governing party. As the hunger-strike, in his view, was dragging on due to British stubbornness and indifference to the Republic's interests he had, by the time he went into opposition in June, two main grievances to hold against us. In retrospect it is hardly surprising that he used the Falklands crisis, coming a month after his resumption of power, as an opportunity to play a rôle on the world stage and to make things difficult for us where he could.

The switch of policy

7. By early May Mr. Haughey was fully in control of the DFA. Mr. Collins even admitted to me that I should have to ask the Taoiseach himself about Irish foreign policy, which to many Irishmen was becoming a bit confused. Anyway, the Irish Government on 2 May signalled its unhappiness at the way in which the conflict was developing by reaffirming "Ireland's traditional rôle of neutrality in relation to armed conflicts". On the previous afternoon, I had informed the DFA that a British submarine had been responsible for the accidental sinking of the Irish trawler, *Sharelga*, on 18 April. This admission gave rise to hostile comment in the press. Our position was worsened by exasperation over our 30 May Mandate demands (for reform of the CAP and EC budget refunds) and by our threatened use of the veto against increases in EC farm prices.

8. Despite this, a change in Government policy might have been postponed but for the sinking of the *General Belgrano* on the evening of 2 May, and the considerable loss of life which ensued. The news provoked a wave of horror and revulsion, and because a British submarine was involved the event was linked in the public mind with the sinking of the *Sharelga*. At a reception on 4 May for the Indian President Mr. Collins told me that he felt he should not be seen to be shaking my hand in public. The Defence Minister, Mr. Power, had told a local party meeting on the previous day that "Britain was now very much the aggressor in the South Atlantic" and his remarks received wide publicity. Mr. Haughey disowned the Minister's comments. But the Cabinet met on

4 May and drafted the statement which marked the decisive shift in the Republic's position. It called for an immediate meeting of the Security Council in order to prepare a new resolution calling for an immediate cessation of hostilities and the negotiation of a diplomatic settlement under UN auspices. It also announced that the Government would seek the withdrawal of EC sanctions.

9. The Government's *volte face* over the Falklands owed much, as I have suggested above, to an extreme Republican reaction to British policy combined with Mr. Haughey's grievances. He also saw that Irish neutrality, as a cloak for an anti-British attitude, might be useful in domestic political terms. He had to consider his precarious majority in the Dáil, and it seems probable that the new Falklands policy was an attempt further to solidify the support of the Dáil's leading Anglophobe, Mr. Neil Blaney, an independent Deputy whose vote Mr. Haughey needed to keep his Government in power. Mr. Blaney had already attacked Britain over the Falklands in a speech to the European Parliament. The Taoiseach also had to take account of the Dublin West by-election scheduled for 25 May. He may have calculated that a display of independence from Britain over the Falklands would increase Fianna Fail's chances of winning the seat from Fine Gael. In fact it was not a visible election issue (and Fine Gael retained the seat for other reasons). Nevertheless all parties took the crisis into account to some extent and Dr. FitzGerald admitted to me that his initial Dáil statement on the Falklands had been made with an eye on the by-election. In any event, Mr. Haughey miscalculated and it gave many Irishmen some satisfaction to see him lose the seat after he had manœuvred so hard to secure it.

Conduct of policy

10. In the initial stage, Irish policy was articulated by the Department of Foreign Affairs. When the policy shifted, so did responsibility for its preparation. One sign of this was the inability of DFA officials to discover from their Minister what the status was of the Defence Minister's outburst on 3 May. The new line was being prepared in the Department of the Taoiseach: and there the crucial rôle was played by a political appointee rather than by career officials. The theoretical justification for the change of policy was that of "traditional Irish neutrality". This concept has never been clearly defined beyond the historical position of neutrality in World War II and the fact that, alone of the members of the European Community, Ireland is not a member of NATO. On this occasion neutrality provided a peg on which to hang a decision which had already been taken at great speed and with no careful analysis of the effect it would have on Anglo-Irish relations. But what also dismayed DFA officials (whose advice had not been sought), and a considerable section of informed public opinion (including the opposition parties), was the incompetence with which the change had been carried out. First, there was complete neglect of the spirit of European Political Co-operation in the failure to let us know in advance that Ireland was considering a change in an area of undeniable importance to Britain. Second, the Government statement failed to refer to Security Council Resolution 502, support for which remained central to Ireland's position. As a result, in the course of the day and under pressure of questioning in the Dáil, modifications were made to the new policy in a series of "clarifications" linking it again to Security Resolution 502 and explaining that the call for an urgent meeting of the Security Council need not be taken to mean a meeting that day, or indeed at any time before the Secretary-General felt one would be helpful. As a DFA official later told us, this was the first time the Government had made four inconsistent statements on the same foreign policy subject in one day.

11. Irish action in the Community was to an extent obscured by Italy's own difficulties—far more genuine—and withdrawal from sanctions. When I spoke to the Taoiseach asking him to reconsider, he said that the Republic would not obstruct a consensus if all other members wished to continue sanctions. Italian company saved the Irish from a difficult decision. However, he did not respond to a personal telephone call from the Prime Minister on 17 May and such was the impetus behind the new policy that I am far from confident that he would not, had Ireland been alone, have instructed Mr. Collins to withdraw from sanctions unilaterally.

12. In the UN, the Republic quickly realised that there was little support for an early Security Council meeting and allowed her call of 4 May to lapse for the time being. However, it remained on the table and, following the first landing of British troops on the Falklands, an Irish proposal for a formal meeting of the Security Council was agreed. This resulted in a unanimous adoption on 26 May of Security Council Resolution 505. The initial Irish draft resolution had made little attempt to take our concerns into account and, ironically, the pressure for helpful amendments came largely from small non-aligned countries (such as Guyana) with which Ireland traditionally believes she has an instinctive rapport. As pressure subsequently built up for a ceasefire, the Republic remained unhelpful. She voted for a draft Spanish/Panamanian resolution: had she joined France in abstaining, the resolution would have failed to gain the nine votes which forced us to use our veto on 4 June. One factor affecting Irish policy in the Security Council came as some surprise to me. Although they have been independent for over 60 years some Irishmen still feel that Britain regards the Republic as a vassal state without a mind of her own. Or that we take her for granted and expect her to follow any lead we give. When I told Mr. Haughey on 26 May that the Irish Resolution was unhelpful to us he said that Ireland was a sovereign and independent country not bound to follow our lead. My arguing that independent African and Caribbean non-aligned countries did not have the same difficulty about amending the Resolution caused him some embarrassment.

The effects on Anglo-Irish relations

13. It is difficult, from Dublin, to assess the impact of the Irish Government's behaviour on the crisis as a whole. It was certainly irritating and unhelpful, especially as it was due to a positive Irish vote in the Security Council on 4 June that we had to use our veto. The Irish constantly claimed that their activity in the UN was motivated by a desire to stop the bloodshed. If true, it was naive on their part to think that good intentions were alone enough. A more likely explanation was Mr. Haughey's seeing the crisis as an opportunity for Ireland to play an independent and high profile part on the world stage.

14. The impact of the Irish Government's behaviour on Anglo-Irish relations may well be more long lasting. As with the hunger-strike, the Falklands issue touched raw nerves in Ireland and reminded us yet again of the virulence in some quarters of anti-British feeling and of the tendency of Irish politicians, if not to exploit this feeling, at least to be unwilling to speak out against it. The Irish Government's policy has divided opinion in the Republic in a manner similar to the policy of neutrality during the Second World War. There are the two extremes; bitter opposition to Britain, and enthusiastic support for Her Majesty's Government's policy, the former originating on the deep green fringe of Irish politics and the latter among those with direct contacts with Britain. (Ironically, one of the first results of the crisis was a surge in the number of Irishmen seeking

to enlist in the British forces. We have also had a number of generous contributions to the South Atlantic Fund.) The broad centre of Irish opinion has been concerned at what they see as disproportion in British reaction to the crisis and the loss of life. But they are also less than happy that Mr. Haughey's policy alienated British opinion, endangered Irish exports to the UK and embarrassed the million or so Irish people who live in Britain.

15. The main opposition party, Fine Gael, has criticised Mr. Haughey's policy and propounded its own doctrine of neutrality. Dr. FitzGerald, in a speech reputedly drafted by sympathetic civil servants in the Department of Foreign Affairs, maintained that neutrality did not require the Republic to stand back as soon as armed conflict broke out and that the Irish Government had not retreated from sanctions during the Italian/Abyssinian War or, more recently, over the fighting in Afghanistan. But we are told that, at a private meeting with the Fine Gael party, Dr. FitzGerald was warned that he was out of touch with grass roots opinion and since then he has avoided public comment. The Labour Party has also laid stress on its own concept of neutrality, which is much closer to that of the Government.

16. Irish memories of the Falklands crisis will probably have less long term impact than perceptions in Britain. It is not for this Embassy to assess mainland British or Northern Ireland views of the Republic since the crisis, but it seems that, as during the Second World War, opinion at home believes that in a crisis, when British vital interests are at risk, the Irish cannot be relied on to help and may indeed be positively hostile. This will not help Anglo-Irish relations generally, nor will it encourage reconciliation in Northern Ireland. The strategic importance of Northern Ireland, which had rather dropped out of sight, has been given new prominence and it is difficult to imagine Short Brothers supplying missiles to the Royal Navy if their factory lay within an Irish Republic. The only consolation is that its unhelpful policy may be linked to Mr. Haughey personally and the ill-will may fade once he leaves active politics.

17. When sanctions were first mooted, the Irish were worried over their £9.4 million exports to Argentina. When the crisis ended, their £1.5 billion exports to Britain were of far more concern. After the Irish refusal to renew sanctions in mid May, several British newspapers called for a boycott of Irish goods, specifically butter. It is still difficult to discover what effect the crisis has had on Irish exports to Britain, but there is no doubt that Irish salesmen have been receiving rough treatment from British buyers. This comes at a time when many Irish goods are already overpriced and far from competitive. We have a favourable trade balance with the Republic and there is no advantage to us in stressing this side effect of the crisis. The impact on Irish exports and on British tourists visiting the Republic will probably be short-lived, but it has been a salutary reminder to the Irish Government that we are their largest customer (taking 40 per cent of their exports) and a gratuitously anti-British foreign policy is liable to rebound on Irish exporters. Our interdependence is still difficult for them to reconcile with their hard-won independence!

18. The crisis must also affect the Irish rôle in European Political Co-operation. Although officials at the Department of Foreign Affairs worked loyally within the system for the first month, Irish policy was rudely jerked out of it by the Taoiseach's personal intervention in early May. Irish neutrality, and a highly personalised version of it, has been enshrined once again as a guiding principle of foreign policy. It will take time to see the effects within Political Co-operation. But as one country after another opts out of specific European

decisions, it will become easier for Irish Ministers to excuse themselves from measures which seem too pro-NATO or otherwise likely to be unpopular at home.

What should we do now ?

19. Irish behaviour over the Falklands crisis has gratuitously damaged our relations and British attitudes towards the Republic are likely to remain suspicious for some time. But we still need to co-operate closely with our nearest neighbour, just as they need to do so with us. At present our most urgent requirement from the Irish Government is co-operation on border security and this, despite rumblings from politicians in Northern Ireland, has not been affected by Mr. Haughey's return to power or by the Falklands crisis. Indeed co-operation is closer now than it ever has been and the operation of the Irish Extraterritorial Jurisdiction Act (1976) is having some impact on Republican terrorists in the South.

20. Under more favourable conditions we might hope to obtain explicit or implicit Irish Government support for the proposals which Mr. Prior has introduced for an Assembly in Northern Ireland. As long as Mr. Haughey is in power, we are unlikely to get this: the Irish Government can do its best to wreck movements towards devolved government in Northern Ireland, but even if it wished to help it could not tell the SDLP what to do. None the less, the Anglo-Irish process is not only of value in itself but, by offering an Irish dimension, could induce the SDLP to take part in devolved government in Northern Ireland and thus make a very real contribution to reducing tension and restoring normality. We therefore need to continue to seek Irish understanding for our initiatives—both from the Government and from public opinion here.

21. Although I think the majority of Irish people would have accepted a policy of neutrality if it had been seen to have been even-handed, many of them did not like the way Mr. Haughey interpreted neutrality. He has suffered a reverse in failing to win the Dublin West by-election which he had skilfully engineered. One of his back-benchers has since died, leaving the Government on a Parliamentary knife-edge, although they will probably survive into the summer recess and should win the ensuing by-election. Meanwhile, the economic situation grows steadily worse and the Government's will to tackle the situation with unpopular financial measures is further eroded. For all these reasons, discontent with Mr. Haughey inside his own Fianna Fail party is stronger than it ever has been and the likelihood that he will see out the year is no better than even. In the circumstances it will be best if we put Anglo-Irish relations on a care and maintenance basis until the political scene in Dublin becomes clearer. We should sit tight, not seek Ministerial meetings on political topics, still less a Summit, and let the Irish appreciate the damage which their policy has inflicted on our relations. In the autumn, when we may be in sight of elections in Northern Ireland, we should review this policy because the time may well have come to mend our fences. We will then need as much sympathy for our devolution process as we can muster in the Republic.

22. I am sending copies of this despatch to the Secretary of State for Northern Ireland (in London and Belfast), to Her Majesty's Ambassadors, Washington and Paris, to the UK Permanent Representatives to the UN and to the European Communities in Brussels.

I am Sir

Yours faithfully

LEONARD FIGG.