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NORTHERN IRELAND OFFICE GREAT GEORGE STREET. LONDON SWIP 3AJ

Michael Alexander Esq PS/Prime Minister 10 Downing Street London SW1

5 June 1981

Prime Pinites

There is lettle choice but to go along with the advice of the operational commanders at present.

Bout the decision out to proscribe he USA is becoming universingly difficult to defend in political terms at least.

PROSCRIPTION OF THE ULSTER DEFENCE ASSOCIATION / S/

You are aware that we have been looking again at proscription of the UDA, in the light of the recent find of arms at its headquarters. This, and some inflammatory statements made by its leaders in recent months, make a stronger case for proscription than hitherto; to put it at its lowest, they make inaction less easy to defend. It can too easily be made to appear that the RUC is less than even-handed in its attack on terrorists of different persuasions, and that the Government can condone that.

Nevertheless, my Secretary of State does not believe that this is the right moment to act. Proscription might encourage Catholic opinion, especially in the Republic and the Irish/ American community in the United States; but if it did not lead to positive results, the pleasure would be short-lived; most Catholic opinion in Northern Ireland itself would have a very low expectation of it from the beginning. Against that, we could expect loyalist violence to increase perceptibly, leading perhaps to confrontation with Republicans on the streets; at the least, compelling the security forces to deal with distrubance on two fronts, not one. Andy Tyrie, the UDA leader, has done remarkably well in recent weeks to restrain the UDA (and for that matter the UVF) from joining in street violence or undertaking sectarian reprisal. In the wake of proscription, he would lose all control, and the wilder elements would take over. The arrest and chargingof suspect UDA men for serious crimes, on which the RUC have a thoroughly good record, would become more difficult; and this is the best proof that we can give that neither we nor the police allow the UDA any favours.

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The Chief Constable is strongly of the view that this is no time to proscribe. He by no means rules it out for the future. But he would prefer it done when the temperature is lower; and he is also hopeful that in the course of time the rank and file may be weaned away from the UDA, leaving a terrorist/criminal organisation of the kind that no-one of goodwill would object to being proscribed. The Army go along with the assessment that ther would be no operational advantage, and some possible disadvantage in proscription.

The Secretary of State is anxious that the decision not to proscribe at the present, combined with the possibility that it may prove difficult to make early arrests or to obtain convictions, should not leave the impression that the RUC or the Government are less concerned about the pursuit of members of the UDA who break the law than of others who do so. He has discussed this difficulty at length with the Chief Constable

The RUC are pursuing their investigations energetically, and the Chief Constable is fully alert to the need to do everything possible to secure arrests. He is also aware of the need for the RUC to be seen to be acting and that there must be no question of it appearing less than fully impartial.

The question of proscription will of course remain under review.

I am sending copies of this letter to John Halliday in the Home Office and to Godfrey Robson in the Scottish Office, in view of their direct interest in any action that we should decide to take against the UDA.

Tom. (Sayto

S W BOYS SMITH