

Ref: A07503

CONFIDENTIAL

PRIME MINISTERNorthern Ireland: Constitutional Development  
(OD(82) 6)

## BACKGROUND

Since OD discussed political development in Northern Ireland on 18th June 1981 there have been a number of significant developments: the second hunger strike in the Maze and its collapse; the publication of the Anglo-Irish joint studies and the creation of the Anglo-Irish Intergovernmental Council; the murder of the Rev. Robert Bradford; the fall of the Government of the Republic; and the recent improvements in the security situation in the Province. There is to be a general election in the Republic on 18th February and a by-election at Belfast South on 4th March. The economy of Northern Ireland is continuing to deteriorate, with the De Lorean car company <sup>on the brink of calling</sup> ~~having called~~ in a Receiver and continuing difficulties at the Harland and Wolff shipyard. Unemployment in the Province has now reached 19.7 per cent, an all time record.

2. The Secretary of State for Northern Ireland's analysis of the scope for political development, as he acknowledges, does not differ greatly from that of his predecessor. His proposals for an elected Northern Ireland Consultative Assembly is not unlike that considered again in June last year and abandoned because of the atmosphere created by the hunger strike. (The decision last June was to go instead for a nominated body, which in the end proved impracticable) But the new proposal includes a statutory procedure for transforming the Assembly into a body actually exercising executive and legislative powers. The Secretary of State would be obliged to lay before Parliament the Assembly's proposals for exercising such powers if 70 per cent of Assembly members agreed on them; and additionally he would be free to lay an Order in Council before Parliament if he believed that a consensus covering the views of both sides of the community in Northern Ireland had been reached, even though there was no 70 per cent majority in the Assembly.

CONFIDENTIAL



CONFIDENTIAL

3. The Secretary of State for Northern Ireland discussed his proposals with you on 26th January and has been holding wide-ranging discussions with interested parties. Fairly full accounts of his proposals (including details of the circulation of this memorandum to the Committee) have appeared in the Press. The Government is therefore widely expected to bring forward its proposals soon. The Secretary of State argues that a window of opportunity now exists, and that if we do not take it there will be no further opportunity, because the next general election in the United Kingdom will begin to cast its shadow over the problem.

4. The formation of an elected Assembly would no doubt be welcome to international opinion, but it could easily be a lead balloon in Northern Ireland itself, for a number of reasons: the political parties could reject it out of hand; the elections to the Assembly could result in a setback for the more moderate parties, the Official Unionists and the SDLP and an opportunity for Mr. Paisley to establish a dominant political lead over the Protestant community; the Assembly might never get to the point at which executive and legislative powers could be transferred to it, thus remaining a "talking shop" which could provide a ready forum for criticism of Government policy without accepting any responsibility for constructive action.

5. One crucial question is whether the Secretary of State is right in his view that making no move on the political front would result in a continued fall in support for the Official Unionists and the SDLP. There may be a risk that creation of an Assembly would not stop the move away from the centre in Northern Irish politics, and that Assembly elections in the autumn might both demonstrate and accentuate this tendency, particularly as the present Official Unionist leadership is weak and divided. There is also the perennial danger that events between the announcement of the Government's intention to legislate for an Assembly and the Assembly elections themselves could conspire against the moderates; for instance, the Provisional IRA might be able to carry out some spectacular action which alarmed the Unionists who are already nervous of Government policies and highly suspicious of the Government's attitude to the "Irish dimension".



CONFIDENTIAL

6. Nevertheless the appointment of a new Secretary of State last autumn was regarded as a signal that a new political initiative might be expected soon. To do nothing would indicate irresolution. On this reading the question is not so much whether a political initiative is advisable but whether the present proposals are the most promising ones and whether the present is the right time to introduce them. No other proposals are in sight which would have a better chance of acceptance; nor does any other time seem likely to prove more suitable for their introduction. The Catholics remain wedded to power sharing and the Unionists resolutely opposed to it. So prospects for acceptance of any immediate transfer of executive or legislative powers are virtually non-existent, beyond the possibility of a modest increase in the powers of district councils, which is not considered in the Northern Ireland Secretary's paper and would be very unpopular with the Catholic community and their friends abroad.

7. The Secretary of State for Scotland and the Attorney General have been invited to the meeting. The Lord Chancellor is unlikely to be present as he expects to be sitting judicially.

HANDLING

8. You will wish to invite the Secretary of State for Northern Ireland to introduce his memorandum. Discussion should cover the following points:-

- (a) Is it agreed that a political initiative of some sort is desirable? If so, does the present proposal offer enough to be worth pursuing? What are their chances of acceptance in Northern Ireland? What would be the likely effect of greater political devolution to Northern Ireland on the willingness of industry to invest there and thus help arrest the very serious decline in the local economy?
- (b) Is it advisable to legislate now on the mechanism by which a transfer to the second stage, under which the Assembly would exercise powers, would be achieved? If so, is the 70 per cent majority proposal right? Is there a risk that the 70 per cent requirement would give Mr. Paisley, as well as the Catholic minority, an effective veto?



CONFIDENTIAL

- (c) Is there a reasonable prospect that elections for the Assembly in the autumn would result in the Official Unionists and SDLP each obtaining a reasonable share of the seats? Or is it likely that Mr. Paisley's DUP will get the lion's share of Protestant votes and that much of the Catholic vote will go to extremist candidates?
- (d) If there is to be a political initiative, is the timing right? You will wish to ask the Lord President and the Chancellor of the Duchy of Lancaster for their assessment of the impact on the Government's legislative programme of the introduction of a Northern Ireland Assembly Bill this Session. To meet Mr. Prior's timetable it would need to be passed by the summer Recess. If this could not be done without affecting the Government's other objectives, would the Secretary of State for Northern Ireland accept a timetable involving introduction of a Bill in the autumn?
- (e) Since the Secretary of State's proposals have been widely canvassed, how much longer should be allowed for discussions with the Northern Ireland parties, or is there something to be said for an early announcement of the Government decision to set up an Assembly? Is it necessary to publish a White Paper to accompany the Bill, and if so what would be the best time, bearing in mind the need for the White Paper to be considered by the Cabinet?
- (f) What is the likelihood of the security situation in Northern Ireland deteriorating, either if the Government takes no early political initiative or if the initiative leads to renewed efforts by the Provisional IRA to wreck the proposals? You could ask the Secretary of State for Defence to comment on the ability of the security forces to deal with any resurgence of violence, particularly around the time of the elections. And would the existence of an Assembly make the life of the security forces harder? Even though there is no question at this stage of giving



CONFIDENTIAL

the Assembly any role in law and order, it will not be possible to prevent it from debating security issues. Would it lead to a decline in cross-border security co-operation?

(g) Does the Foreign and Commonwealth Secretary think we should take soundings of whatever Government emerges in the Republic after the general election, before announcing the proposals?

(h) Does the Secretary of State for Scotland believe that the proposals will stimulate pressure for devolution in Scotland?

CONCLUSION

9. The Committee seem likely to conclude that an early political initiative in Northern Ireland should be taken; that any devolution should not involve a transfer of actual powers at the outset; that a progressive approach, on the lines of the Secretary of State for Northern Ireland's proposals, offers the best hope of progress; and that room should be found in the legislative programme for a short Bill, either this Session or early next Session. You may wish to invite the Secretary of State for Northern Ireland to submit the draft of a White Paper for consideration by the Cabinet early next month.

RTA

Robert Armstrong

15th February 1982