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Prime Minister

POLITICAL DEVELOPMENT

You may find it helpful to have my present assessment of the prospects for making some progress in Northern Ireland in the light of recent developments. We have at present a real opportunity to develop more stable structures in Northern Ireland and to improve our relations with the Irish Republic - despite the risks. I believe we should take it.

2. We are going soon to have to make some more substantive response to the Report of the New Ireland Forum: and we will be expected soon also to state our intentions on the Northern Ireland Assembly. My initial response to the Forum Report seems to have held the position for the time being, but we shall come under increasing pressure, not least from the Opposition and from the United States, to say what we propose to do now. The Social Democratic and Labour Party have boycotted the Assembly from the beginning and the Ulster Unionist Party withdrew some 6 months ago. There is little prospect of the Assembly being able credibly to continue beyond the summer recess, unless by then the political parties of Northern Ireland seem more ready to join or develop it.

3. Given these pressures, there are 4 main reasons why I believe we should seek to make some positive progress:

- (i) The growth of Sinn Fein. Sinn Fein's closeness to the IRA and their commitment to violence is transparent. Yet they won a District Council by-election in March: they are expected to muster strong support for the European Elections in June (with some help from personation);

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and after the District Council Elections in May 1985 they could well overtake the SDLP. The SDLP have invested a good deal of political credit in the Forum Report and, unless they can show something for it, Sinn Fein's case that violence is the only way will gain further support.

- (ii) The Security Situation. In spite of some successes, terrorist shootings and bombings continue. While overall the level is lower than in the past, recent weeks have shown that the toll of deaths among civilians, the police and the British Army will continue unless we can undercut terrorism through political advance.
- (iii) Our International Standing. Following the Forum Report we will come under increasing pressure from our allies to make a constructive response. Instability in Northern Ireland continues to affect our international reputation.
- (iv) The Economy. In spite of recent welcome orders for Shorts and Harland and Wolff, unemployment is expected to rise - even on relatively optimistic assumptions - from its present high level of 22% to 25% by 1988. Northern Ireland already requires a net transfer of £1.5 billion a year - there is no prospect of this being significantly reduced while the political and security situation remains as it is. Without greater political stability, the drain on our finances will continue.

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4. We have to recognise that any attempt at political advance carries risks, including a deterioration in security. But for the reasons I have stated, I judge the risks of doing nothing are currently greater. It is against this background that we need to determine our strategy over the coming months. In doing so we need to reaffirm clearly and in public the principles to which we remain committed.

5. Our policy for Northern Ireland is founded on the principle of consent - ie that there will be no change in the status of Northern Ireland as part of the United Kingdom without the consent of the majority of the inhabitants. We should not depart from this principle. Since there is a large Unionist majority which is determined to remain part of the United Kingdom, this means that any movement towards a united Ireland is ruled out for the foreseeable future. The nationalists in both the North and the South must be persuaded to accept this as a fact of life.

6. The other main principle which successive Governments have sought to follow since 1972 is that the system of Government within Northern Ireland should, as far as possible, command support across the community - ie a nationalist minority as well as the Unionist majority. This has been the foundation of attempts to devolve power during the past 10 years, including the present Assembly. Again, I believe that we must adhere to this principle, which is firmly embedded in the 1982 White Paper.

7. We should consider the options at present before us in the light of this background and in accordance with the 2 principles to which we remain committed. The options are:-

- (a) The Forum Approach. While advocating a united Ireland, the Forum Report seeks to recognise the Unionist identity and acknowledges the need for their

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consent. But it fails to recognise the total opposition of Unionists to the principle of a united Ireland. Accordingly, the Report does not contain any indication of how consent is to be obtained and therefore does not offer any solution to the immediate problem. There is no way in which we can bring the Unionists to the conference table to discuss the structures and safeguards which might be appropriate in an united Ireland, as the Forum proposes. Because of the principle of consent, we must reject the unitary state solution propounded in the Report and also the alternative models of a federal/confederal solution and joint authority if, as is clear from the Report, that means shared sovereignty.

- (b) Integration. The one thing I learn every day in Northern Ireland is that it is not like other parts of the United Kingdom. I am convinced that left to themselves discrimination at local government level against a minority would return. And however we redraw local government boundaries, that problem would remain. Integration involving dismantling the machinery of direct rule and governing Northern Ireland like Scotland would cut off Northern Ireland politicians from any prospect of exercising power; and would accordingly encourage higher levels of irresponsibility. Integration would also be bitterly opposed by nationalists. They would see it as a charter for renewed discrimination and as finally closing the door to their aspirations. But rather than causing terrorists

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to give up, as some Unionists argue, the IRA would be more likely to redouble their efforts with increased minority support and so to encourage a violent reaction from the Protestant Paramilitaries. There would be greater political polarisation in Northern Ireland and a deterioration in our relations with the Republic. I do not believe that integration is an acceptable option.

- (c) Direct Rule. This has some attractions. It ensures that Northern Ireland is governed fairly and reasonably efficiently. But it is not responsive government. It cannot take proper account of local views or requirements. And it suffers accordingly. I believe it is made more acceptable because it is known that we are trying to find a more desirable alternative. We may have to continue with direct rule without a local democratic influence, if all else fails. But I do not see it as an adequate or desirable response in the current situation.
- (d) A Negotiated Progress. There are possibilities for progress both within Northern Ireland and in developing our relations with the Republic. But the prerequisite is to seek some firm recognition by the Republic and by Nationalists of the present reality that Northern Ireland will remain part of the United Kingdom for the foreseeable future. Within that assurance, we may be able to develop some form of devolved powers with the Assembly which might offer something to both the Unionists and the Nationalists

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without necessarily relying on the wholehearted support of either to make it work. But it will be crucial to re-involve the SDLP in political life in Northern Ireland and we can only do that with the support of the Irish Government. That will involve us building on the more constructive parts of the Forum Report and seeking ways of recognising further the Irish identity.

8. The sort of things which might be considered for developing the Irish identity in Northern Ireland could include minor relaxations in the Emergency Legislation: changes in the procedure for investigating complaints against the police (already planned); the repeal of the Flags and Emblems (Display) Act 1954; the amendment of the electoral law to permit Irish citizens in Northern Ireland to vote in local elections (although this might increase personation problems); an amendment of the Northern Ireland Assembly Disqualification Act to enable members of the Irish Parliament (or at least the Senate) to sit in the Northern Ireland Assembly. Other possibilities are: examination of the provision of greater safeguards for the minority community; the development of channels by which their views could be made known to Government; and the encouragement of cultural and social activities. We might also publicise the considerable progress made in recent years to remove discrimination against the minority.

9. If we are to gain the confidence of the minority, we shall need also to develop the Irish dimension. Law and order provides the most obvious field, both because co-operation could actually improve security and because we share with the Republic a common interest in defeating terrorism. Two possible areas are joint policing of the border area and a common system of criminal justice. Both raise complex issues: but we could offer the establishment of a joint security commission at ministerial level to explore these and other ideas.

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10. On its own security co-operation is unlikely to be enough. Some degree of political involvement is desirable. While we cannot concede anything which would amount to sharing sovereignty over Northern Ireland, we could agree to discuss the development of the existing Anglo-Irish inter-Governmental Council and to press ahead with the creation of a joint Parliamentary body.

11. If we are to get anywhere on these lines, then we shall have to be ready to persuade the Irish Government to put pressure on the SDLP, and ourselves to put pressure on the Unionists. We face difficult discussions with the Irish, and the possibility of a violent Unionist backlash including a workers strike. But we must prepare ourselves for that, and if we are seen to be determined I believe the situation in Northern Ireland could be kept under control. But while we can expect opposition, we can also expect to get some credit from our allies in making a sincere and well-judged effort to get things moving and we can show that we are making a reasonable response to balance the principles set out in Chapter 5 of the Forum Report. Our determination both to stand by the principle of consent to ensure the constitutional position of Northern Ireland and also to forward realistic proposals for the future organisation and administration of the Province should stand us in good stead both in Northern Ireland and more widely.

12. Your role in all this would be crucial, to deal with Unionist reaction in Northern Ireland, to show the Republic, and indeed the United States, that we are taking it seriously, and to help reassure our supporters in Parliament. I would welcome, therefore, the opportunity of an early discussion to see whether we should be pursuing ideas on the lines set out in this note in the coming months.

13. I am copying this minute to Geoffrey Howe and Sir Robert Armstrong.

D. Hill

J P

22 May 1984

Approved by the Secretary of State
and signed in his absence

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