Subject

RECORD OF A DISCUSSION BETWEEN THE PRIME MINISTER AND THE PRIME MINISTER OF THE REPUBLIC OF IRELAND, MR. CHARLES HAUGHEY, AT NO. 10 DOWNING STREET ON 21 MAY AT 1535

Present

The Prime Minister

Foreign and Commonwealth Secretary

Secretary of State for Northern Ireland

Sir R. Armstrong

Mr. K. Stowe

Mr. W.E. Bell

Miss J Kelly

Sir R. Haydon

Mr. L.C.W. Figg

Mr. M.D.M. Franklin

Mr. M.J. Newington

Mr. M. O'D. B. Alexander

Mr. B. Ingham

Mr. Charles Haughey

Mr. B. Lenihan

Mr. A. O'Rourke

Dr. E.L. Kennedy

Mr. D. Nally

Mr. S.P.O. hAnnrachain

Mr. F. Dunlop

Mr. D. Neligan

Mr. W. Kirwan

Mr. P. Walshe

Mr. H. Swift

Mr. N. Dorr

* * * * * * *

Middle East

The Foreign and Commonwealth Secretary paid tribute to the role of the Irish Government in providing and maintaining a contingent in the UN force in South Lebanon. The policy and the conduct of the Irish Government had been both public spirited and brave. Their willingness to continue to sustain their contribution to the UN presence was extremely important. If the UN force withdrew, the Israelis might well move into the There would then be a real risk of war with Syria. area. The Israelis were at present behaving very badly. operations in the area were master-minded by the Israeli Chief of Staff who did not seem to be under the control of either Mr. Begin or Mr. Weizmann. Mr. Haughey said that the intention of his Government, as of the other Governments contributing to the UN force, was to stay. If the situation were to deteriorate further, the countries supplying contingents

would consult together. There would be no unilateral action. The Irish Government wished to remain as long as the mandate lasted.

Mr. Lenihan described the present state of thinking in the EC on the possibility of a European initiative. The aim would be to try to fill the vacuum which threatened to develop between 26 May and the holding of the US elections. Foreign and Commonwealth Secretary said that he thought it would be difficult for the Europeans to wait until November without taking action of some kind. There was always the possibility of a unilateral move by the French. At present a draft declaration was under preparation which the Presidency might make at the end of the European Council meeting in Venice. This would build on Mr. O'Kennedy's speech the previous autumn in New York. The Prime Minister asked whether a statement at Venice would cause difficulties if the Camp David process had been prolonged. The Foreign and Commonwealth Secretary said that he did not think a declaration would get in the way. Mr. Lenihan said that the need to pace the process would be in everyone's mind.

The Prime Minister said that any attempt to involve the PLO was likely to cause difficulties. Mr. Haughey said that they had a legitimate role as spokesman for the Palestinian people.

The Palestinian people, in their turn, had a right to a homeland. The Prime Minister said that it would be desirable to avoid according the PLO the status of the exclusive representative of the Palestinian people. Would it not be possible to find a further spokesman? The Foreign and Commonwealth Secretary said the PLO were likely in the event to be the only representative involved in talks. The Arab League had long since recognised the PLO as the sole representative of the Palestinian people. Heads of Government were likely to be asked in Venice to accept the idea of contacts with all the parties involved in

the Arab/Israel dispute including the PLO. It would, of course, be necessary to keep the Americans in touch with our thinking as it developed.

Relations with the United States

Mr. Haughey said that he was concerned about the absence of a formal mechanism for consultation with the United States. The Presidency of the EEC represented one possible channel of communication but, of course, that changed every six months. The Foreign and Commonwealth Secretary commented that the French would never accept the formalisation of transatlantic consultation. The Prime Minister said that bilateral consultations to deal with specific problems were often intensive but agreed that there was a need for more continuing consultation.

Sanctions Against Iran

The Prime Minister described the difficulties which had arisen in Parliament over the decision taken by the Foreign Ministers of the Nine in Naples that sanctions should operate retrospectively. In the light of the reaction of the House of Commons, the Government had been forced to conclude that there should be no retrospection expect on arms supplies. Mr. Haughey said that what had happened in the House of Commons showed that the United Kingdom was still a Parliamentary democracy. The Irish Government's position was very straightforward. They could make an order which would have the effect that anyone who wished to do business with Iran would have to secure a licence from the appropriate Ministry to do so. Each application would be treated on its merits. Banking, as well as trade in food and medicine, would be excluded from the ambit of the order.

Afghanistan

Mr. Haughey said that the Irish athletes had decided to ignore the Government's advice that they should not participate in the Olympic Games. However, he did not think that the end of the road had yet been reached. The equestrian team and the boxing team had both decided against participation. Others were

- 4 -

going to find it difficult to go to Moscow because they would get no financial aid from the Government. Government servants would get no leave and would be provided with no facilities. The Prime Minister said that the position of the British Government was more difficult because we did not subsidise our athletes. We could only offer advice. She would much regret it if, in the event, the athletes went. It was ironic that British athletes were able to go to Moscow precisely because they lived in a free country. Agreeing with Mr. Haughey that sport had always been a weapon in the propaganda armoury of the Communist States, the Prime Minister said that non-participation in the Olympic Games was the only way to bring home to the Soviet people the universal disapproval in the West of their Government's action in invading Afghanistan. She was worried that the West had not done enough to demonstrate its disapproval. She feared that there would be a growing tendency to legitimise the invasion. Mr. Haughey commented that the Islamic world remained on the side of the Afghans. The Foreign and Commonwealth Secretary said that Mr. Ghotbzadeh had been very critical of the Russians during the Islamic Conference.

The Community Budget

Mr. Haughey said that his Government had a substantial vested interest in ensuring that the Community worked. The agricultural prices settlement was vital to them. He hoped the Prime Minister would let him know, therefore, if there was anything that he could do to help resolve the British budgetary problem. The Prime Minister said that she intended to battle on until a satisfactory solution was agreed. She wanted the problem resolved before Venice. Mr. Lenihan described the Ministerial meetings in prospect. Mr. Haughey asked if there was anything that the Irish Government should be canvassing on the British Government's behalf. The Prime Minister said that it was essential that there should be an agreement covering three years. She recognised that it would not be easy to achieve this. The position of the Germans was particularly difficult since they, together with the U.K., had to finance the whole Community budget. Referring to the sheepmeat regime, the Prime

Minister said that French, Irish and New Zealand farmers, like those of the U.K., were entitled to a decent standard of living. However, intervention was absurd. It was in no-one's interest to create a lamb and mutton mountain. It would make far more sense to have a system based on deficiency payments. The Foreign and Commonwealth Secretary said that the present Commission proposals would guarantee that all Irish and UK lamb would go into intervention in France. Mr. Haughey said that he had an important sheep farming constituency in Ireland. He thought it should be possible to avoid the creation of a new mountain and intended to press for a support system of some kind. The Foreign and Commonwealth Secretary said that the UK would be asking for a system based on variable premia. This would mean that if the French were to insist on intervention in France, we would be able to prevent our own product going into intervention there.

Presidency of the Commission

Mr. Haughey said that the Irish Government felt they had a claim to the succession to Mr. Jenkins. They had it in mind, if sufficient support seemed likely to be forthcoming, to put forward a major political personage as their candidate. If he were to be appointed, it would be of advantage to both the Irish Republic and the UK. The Prime Minister said that the only candidates of which she was aware at present were Mr. Gundelach and M. Thorn. Mr. Haughey said that Mr. Gundelach would be quite unacceptable to the Irish Government. If he were to maintain his candidacy, the Irish would certainly put forward a candidate against him.

The plenary session broke up into working parties to discuss the communique at 1615. The session re-assembled, briefly, at 1645 when Mr. Haughey said how much he had enjoyed his talks with the Prime Minister and extended a warm invitation to the Prime Minister to visit Dublin.

Mul

Me 's Treland'



10 DOWNING STREET

From the Private Secretary

22 May 1980

Visit of the Irish Prime Minister: 21 May 1980

I enclose a record of the discussion in plenary session yesterday between the Prime Minister and the Irish Prime Minister, Mr. Charles Haughey.

I am sending a copy of the entire record to David Wright (Cabinet Office) and of the second part of the record to John Wiggins (HM Treasury) and Garth Waters (MAFF).

M. O'D. B. ALEXANDER

Paul Lever, Esq., Foreign and Commonwealth Office.

COMPIDENTIAL

8

JOINT COMMUNIQUE BY THE PRIME MINISTER, MRS MARGARET THATCHER AND THE TAOISEACH OF THE IRISH REPUBLIC, MR CHARLES HAUGHEY TO ISSUED FROM 10 DOWNING STREET, LONDON, ON WEDNESDAY, 21 MAY 1980

The Prime Minister, the Rt Hon Margaret Thatcher MP, had discussions today 21 May at 10 Downing Street with the Taoiseach, Mr Charles Haughey TD, who was accompanied by Mr Brian Lenihan TD, Minister for Foreign Affairs. The Rt Hon The Lord Carrington, Secretary of State for Foreign and Commonwealth Affairs and the Rt Hon Humphrey Atkins MP, Secretary of State for Northern Ireland, were present. The talks were preceded by a working lunch, also attended by the Rt Hon Sir Ian Gilmour Bt, MP, the Lord Privy Seal. The talks covered bilateral and European Community issues as well as current international problems of concern to both Governments.

The Prime Minister and the Taoiseach agreed that they wished to develop new and closer political cooperation between their two Governments. They agreed to hold regular meetings, on a continuing basis, accompanied by other Ministers as appropriate.

They had a useful and constructive exchange of views about the prospects for political progress in Northern Ireland. While agreeing with the Prime Minister that any change in the constitutional status of Northern Ireland would only come about with the consent of a majority of the people of Northern Ireland, the Taoiseach reaffirmed that it is the wish of the Irish Government to secure the unity of Ireland by agreement and in peace. The Prime Minister and the Taoiseach recorded agreement on the importance they attach to the unique relationship between the peoples of the United Kingdom of Great Britain and Northern Ireland and the Republic, and on the need to further this relationship in the interest of peace and reconciliation.

The Prime Minister and the Taoiseach noted with satisfaction the efforts being made by the two Governments, both separately and in cooperation, in the field of security.