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(FRAME GENERAL)
EUROPEAN COUNCIL:THE IRISH TAOISEACH

SUMMARY

1. MR HAUGHEY REMAINS TAOISEACH.BUT HE IS IN TROUBLE.THE BILATERAL WITH THE PRIME MINISTER IS AN OPPORTUNITY FOR POLITICAL DISCUSSION AT A CRITICAL STAGE IN HIS FORTUNES.

DETAIL

2. THE PRIME MINISTER IS TO HAVE A SHORT BILATERAL MEETING WITH MR HAUGHEY IN THE MARGINS OF THE EUROPEAN COUNCIL IN MADRID.FOR ONCE THERE IS NO PRESSING BILATERAL ISSUE.THAT MAKES THE MEETING ALMOST MORE IMPORTANT.IT HAS SYMBOLIC VALUE FOR THE IRISH THAT THE TWO PREMIERS SHOULD MEET WITHOUT A CRISIS.AND IT WILL PROVIDE AN OPPORTUNITY TO DISCUSS THE WAY AHEAD AT A CRUCIAL POINT IN IRISH POLITICS.WHATEVER THE FUTURE MAY HOLD,WE WILL LOOK FOR CONTINUING IRISH CO-OPERATION UNDER THE ANGLO-IRISH AGREEMENT,WHICH MR HAUGHEY HAS MADE HIS OWN IN THE ARTICLE 11 REVIEW.

3. HE WILL BE PREOCCUPIED WITH DOMESTIC PROBLEMS AFTER AN INCONCLUSIVE GENERAL ELECTION (MY TELEGRAMS 249-251).CONSTITUTIONALLY HE REMAINS TAOISEACH AT LEAST UNTIL THE DAIL RESUMES ON 29 JUNE.THERE IS NO DOUBT THAT HE WILL LEAD THE IRISH DELEGATION AT MADRID.BUT IT IS NOT YET CLEAR HOW HE WILL REMAIN IN OFFICE BEYOND THURSDAY.IT WAS HIS PERSONAL DECISION TO ABANDON THE NATIONAL CONSENSUS AND GO FOR AN OVERALL MAJORITY.HE FAILED.HE IS NOW SIX VOTES SHORT INSTEAD OF TWO.DEALS WITH INDEPENDENTS CANNOT SECURE HIS RE-ELECTION:HE NEEDS THE HELP OF HIS POLITICAL ENEMIES.CONSULTATION BETWEEN THE PARTY LEADERS HAS BEGUN.HE SAYS IT IS TO ARRANGE SUPPORT FOR HIS GOVERNMENT:THEY SAY IT IS TO NEGOTIATE THE PRICE HE MUST PAY FOR IT.WITHOUT SOME PRICE THE DAIL WILL NOT RE-ELECT HIM TAOISEACH AND HIS LEADERSHIP OF FIANNA FAIL MAY BE IN DOUBT.HE HAS NOT FULLY RECOVERED FROM HIS BRONCHIAL INFECTION LAST AUTUMN.HE IS IN TROUBLE.

4. FIANNA FAIL HAVE SUFFERED A FURTHER REVERSE IN THE EURO-ELECTIONS (MY TELEGRAMS 225 AND 257). THE PREMIERS MAY WISH TO BEGIN WITH POLITICS. SUCH A DISCUSSION COULD EVOLVE TO COVER ANY OR ALL OF THE FOLLOWING.

A. THE EUROPEAN COMMUNITY, THE MADRID COUNCIL AND THE PROSPECTS FOR THE IRISH PRESIDENCY. MRS THATCHER MIGHT ASK THE TAOISEACH WHETHER HE DOES NOT AT HEART SHARE HER DISLIKE FOR SOME OF THE PROPOSALS NOW UNDER DISCUSSION. ON AGRICULTURE AND THE BUDGET WE ARE POLLS APART. THE IRISH FAVOUR EMU BUT NOT YET. THEY PAY LIP-SERVICE TO THE SOCIAL CHARTER BUT FEAR ITS IMPLICATIONS FOR INVESTMENT AND EMPLOYMENT. THEIR ATTITUDE TO THE SINGLE MARKET IS MUCH LIKE OUR OWN.

B. THE ANGLO-IRISH DIMENSION OF 1992. THE ARTICLE 11 REVIEW PROVIDES FOR AN ASSESSMENT OF THE CROSS-BORDER IMPLICATIONS OF THE SINGLE EUROPEAN MARKET. THERE IS ROOM FOR CO-OPERATION AS WELL AS COMPETITION BETWEEN THE UK AND THE REPUBLIC, BOTH NORTH/SOUTH AND EAST/WEST.

C. THE POLITICS OF NORTHERN IRELAND. IN RECENT ELECTIONS THE SDLP GAINED OVER SINN FEIN, AND THE OFFICIAL UNIONISTS OVER THE DUP. THIS HAS BEEN WIDELY INTERPRETED HERE AS A VOTE FOR MODERATION. IT CERTAINLY WAS NOT A VOTE FOR EXTREMISM. MR HAUGHEY MAY ASK HOW THE PRIME MINISTER SEES THE PROSPECT FOR POLITICAL DEVELOPMENT IN NORTHERN IRELAND AFTER THE SUMMER BREAK.

D. SINN FEIN AND EXTRADITION. A FEATURE OF THE ELECTIONS HAS BEEN THE DERISORY VOTE FOR SINN FEIN. AS THE NORTHERN IRELAND SECRETARY HAS REMARKED, IT IS NOW CLEAR THAT THE MEN OF VIOLENCE REPRESENT VIRTUALLY NOBODY IN EITHER JURISDICTION. PATRICK RYAN WAS NOT ELECTED TO THE EUROPEAN PARLIAMENT, BUT HE SECURED 30,000 FIRST PREFERENCE VOTES. THE PAPERS FOR HIS EXTRATERRITORIAL PROSECUTION WERE HANDED TO THE IRISH ON 9 JANUARY. WE STILL AWAIT THE IRISH REVIEW OF THEIR EXTRADITION LEGISLATION.

5. CROSS BORDER SECURITY. THE PRIME MINISTER MIGHT ACKNOWLEDGE THE IMPROVEMENT FOLLOWING HER CORRESPONDENCE WITH THE TAOISEACH WHILE STRESSING THE CONTINUED NEED FOR INTELLIGENCE. IT WOULD BE USEFUL TO THANK MR HAUGHEY FOR THE SUPPORT OF THE IRISH ARMY DURING OPERATION TANTALUS.

6. FAIR EMPLOYMENT. THE PRIME MINISTER MIGHT COMMEND TO THE TAOISEACH THE FAIR EMPLOYMENT LEGISLATION NOW GOING THROUGH PARLIAMENT. IT HAS TAKEN EXTENSIVE ACCOUNT OF IRISH VIEWS AND WE NOW LOOK FOR

UNEQUIVOCAL IRISH SUPPORT.WE HAVE A COMMON INTEREST IN DEFEATING THE
MACBRIDE PRINCIPLES SO AS TO SECURE INVESTMENT AND EMPLOYMENT IN
NORTHERN IRELAND.

7. I HAVE DISCUSSED THE MEETING PRIVATELY WITH DERMOT NALLY,SECRETARY
TO GOVERNMENT.MR HAUGHEY IS PREOCCUPIED EXCLUSIVELY WITH DOMESTIC
POLITICS BUT NALLY SAYS THAT HE NEVERTHELESS ATTACHES IMPORTANCE TO
HIS MEETING WITH MRS THATCHER.HE WOULD NOT BE SURPRISED IF ANY OF
THESE SUBJECTS WERE TO ARISE.I SHALL BE SEEING THE TAOISEACH HIMSELF
WITH THE LORD MAYOR OF LONDON ON 23 JUNE AND WILL REPORT FURTHER IF
NECESSARY.PLEASE LET ME KNOW IF YOU WISH ME TO INSERT ANY PARTICULAR
IDEAS INTO HIS MIND.

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