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MR BRENNAN
PS/SECRETARY OF STATE (B&L)

cc PS/MS (B&L) M
PS/Mr Bloomfield-M
Mr Carvill-M
Mr Chesterton O/R
Mr Gilliland-M
Mr Merifield-M
Mr Bell
Mr Reeve-M
Mr Ehrman O/R

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THE SECRETARY OF STATE'S MEETING WITH MR MOLYNEAUX,
20 SEPTEMBER 1985

1. In Mr Chesterton's absence on leave, I submit briefing for this meeting in the same format as that supplied for the Secretary of State's meeting with Mr Hume on 10 September. I attach

- ... i) a steering brief which covers Anglo-Irish talks, political development within Northern Ireland, and Sinn Fein;
- ... ii) a background note on the UUP (Annex A) which deals/^{mainly} with their attitude to the last two subjects;
- ... iii) a personality note on Mr Molyneaux (Annex B).

I am grateful to Mr Bell for the material on Anglo-Irish relations, and to Mr Reeve for his contributions.

Frances Elliott

MISS D F E ELLIOTT
CPL

18 September 1985

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SECRETARY OF STATE'S MEETING WITH MR MOLYNEAUX,
20 SEPTEMBER 1985

1. Purpose of meeting

The object of the meeting is:

- i) to establish a personal relationship with Mr Molyneaux;
- ii) to stress the continuity of Government policy;
- iii) to reaffirm the Government's commitment to the Anglo-Irish talks;
- iv) to reassure him that they do not threaten the UK Government and Parliament's sovereignty over Northern Ireland; and to let him know that the Government expects all constitutional political leaders to behave responsibly if there is agreement;
- v) to emphasise the importance which the Government attaches to political progress within Northern Ireland and to the cooperation of the constitutional parties in new efforts to achieve it;
- vi) to obtain Mr Molyneaux's view of the political scene in Northern Ireland.

2. Anglo-Irish Talks

Mr Molyneaux may echo Mr Peter Robinson's protest that the Secretary of State visited Dublin on 17 September (and saw Mr Hume the previous day) before he met unionist leaders. The Secretary of State will wish to assure him that this was not a calculated insult: he was anxious to brief himself rapidly on all aspects of his responsibilities, and Mr Molyneaux's absence on holiday made a meeting before now impossible.

3. Mr Molyneaux, like Mr Paisley, has not been kept informed by the Government about the progress of the Anglo-Irish talks, and it remains a grievance that Dublin has kept Mr Hume in the picture. He was, however, offered a briefing on Privy Councillor terms by Mr Hurd - but refused. Mr Molyneaux is wholly opposed to the Anglo-Irish talks and may use this first meeting to argue that

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they should be ended, without agreement, for the following reasons:

- a) the secrecy surrounding the talks further destabilises an already volatile political situation;
- b) any agreement would be unconstitutional or lead to a loss of sovereignty. Mr Molyneaux and Mr Paisley argued in their letter of 28 August to the Prime Minister that any machinery dealing with Northern Ireland rather than UK/Republic relations would be a breach of sovereignty. Paragraph 4 of the Prime Minister's reply of 13 September (attached with the original ... letter at Annex C) answers this claim;
- c) any agreement will cause disorder in the streets which, if repressed by the security forces, will undermine the majority's confidence in them, already disturbed by their handling of certain parades during the summer.

4. The Secretary of State will wish to counter the above as follows:

- a) the Government remains committed to seeking agreement with the Irish within the framework outlined in the 1984 Chequers communiqué. The conclusion of the talks should not be too long delayed;
- b) the Government is seeking to develop closer relations with the Republic on an acceptable basis in the interests of both countries and both parts of the community in Northern Ireland: the potential benefits of particular interest to the unionists could include better security cooperation and, in the longer term, greater nationalist acceptance of the institutions of government in Northern Ireland;
- c) as the Prime Minister reaffirmed on 13 September, there is no question of any loss of sovereignty (or joint authority) as a result of the talks;
- d) the Government expect the UUP to behave responsibly if agreement is reached, and if there were to be any sign that the paramilitaries were seeking to raise the temperature through violence or other unconstitutional measures; this would include support for the security forces.

5. Political development within Northern Ireland

Mr Molyneaux and Mr Paisley's letter of 28 August claims that, in certain clearly defined circumstances, the UUP and DUP would be willing to take part in a new devolved administration. They would not sit in the same Cabinet as the SDLP but would be open to reasonable proposals for the protection of minority interests. The UUP know that this is not nearly enough to tempt the SDLP into constructive discussions. The Secretary of State might make the following comments:

- i) the Government wants to see an end to the current political stalemate;
- ii) progress towards restoring devolved government can only be made on the basis of widespread acceptability - that is if the constitutional parties from both parts of the community can agree on a system of government which they are prepared to operate together;
- iii) he hopes that the UUP will consider whether there are any acceptable ways in which minority representatives could be given a genuine participatory role;
- iv) the Government expects unionist leaders to respond constructively to any signs that the SDLP would be willing to discuss with them ways of moving forward within Northern Ireland.

6. If Mr Molyneaux asks whether, as Mr Hurd indicated, the Government might float proposals of its own which might win acceptance from both parts of the community, the Secretary of State may like to say that he wishes to think further before deciding on any particular course of action.

Sinn Fein

7. Mr Clifford Forsythe MP informed Private Office on 16 September that he would suggest to Mr Molyneaux that he use this meeting to complain about the Government's policy towards Sinn Fein. (Mr Forsythe himself has been asked to discuss the effect of their presence on district councils with Mr Needham). Mr Molyneaux will no doubt urge the Secretary of State to proscribe Sinn Fein and suggest that, while Ministers distance themselves from Sinn Fein elected representatives, it is hypocritical for the Government

CONFIDENTIAL

- 4 -

to expect councillors to work with them. He might also pick up Mr Hurd's invitation to him on 20 June to consider whether legislation requiring elected representatives to make a declaration renouncing violence before they took their seats, might be useful. In response, the Secretary of State might wish to say that:

- a) he is not persuaded that proscription would be a useful step either politically or to the security forces, but he will keep the possibility under review;
- b) meanwhile, the Government will continue to use every means within the law to distinguish between those who believe in and practise constitutional methods to achieve their objectives and those who support the use of violence, from which ever part of the community they come. It is surely in the interests of all who believe in the democratic process to do likewise and to avoid acts which give a propaganda advantage to Sinn Fein;
- c) he will be considering whether changes in the law would be effective or desirable.

CPL

September 1985

CONFIDENTIAL

THE SECRETARY OF STATE'S MEETING WITH MR MOLYNEAUX
SEPTEMBER 1985

Background Note

1. Often referred to as the Official Unionist Party, the Ulster Unionist Party (UUP) is the lineal descendant of the Unionist Party which held power from the establishment of the Northern Ireland Parliament in 1921 to its fall in 1972. It remains the largest political party in Northern Ireland and holds 11 of the 17 seats at Westminster. Since the mid-1970s, the formal objectives of the UUP have been the maintenance of the Union; the restoration of devolved government on a majority rule basis; and an increase in the powers of local government. The party strongly opposes the current Anglo-Irish negotiations and believes that the Government's security policy is weak and ineffective.

Political development within Northern Ireland

2. Within the party there are considerable differences of opinion about future political development. Those whose preference is for a return to full-scale devolution have adopted a positive approach to the Assembly and have played a full part in its committee system. Nevertheless, they have become increasingly frustrated by the lack of progress towards devolution and many of them now realise that it is impossible, within the terms of the 1982 Act, for powers to be devolved on terms acceptable to them - ie on a majority rule basis. Amongst the leadership group, and this includes most, if not all, of the Westminster MPs, there is far less sympathy for the Assembly. Under the influence of Mr Molyneaux and Mr Powell, many of them have been persuaded that devolution is inconsistent with the maintenance of the Union and that the most effective way of safeguarding Northern Ireland's position as part of the UK is to press for integration. The UUP's published document "The Way Forward" is a clear attempt to overcome these differences of approach. The form of administrative devolution proposed in the document is broadly acceptable to the integrationists who have always supported the idea of transforming the Assembly into an upper tier of local government: at the same time, it also appeals to the devolutionists as a possible first step towards their ultimate goal of restoring the full range of Stormont powers.

In talks with Mr Patten on 25 March and 1 May, Mr Molyneaux repeated that although some party members wanted to return to something like the old Stormont Parliament, his real objective was the devolution of certain executive powers to a regional council, an upper tier of local government. Procedures could be introduced to streamline the handling of Northern Ireland legislation at Westminster. To search for full executive and legislative devolution was unrealistic; agreement would break down over power-sharing. (However, when he last met Mr Hurd on 20 June he conceded that to enhance local government powers was not a realistic option given the polarisation in district councils exacerbated by Sinn Fein's increased presence.) Mr Molyneaux was unenthusiastic about the possibility of the Government floating an option or options before the parties; he believed a better stimulus would be to stress the unsatisfactory nature of direct rule. Mr Molyneaux and Mr Paisley's letter of 28 August to the Prime Minister proposed majority rule devolved government, a reiteration of the mainstream unionist preference, in the knowledge that it is not acceptable to either the Government or the SDLP.

4. Mr Molyneaux wrote to the Secretary of State's predecessor on 9 July to ask if he might discuss with PUS mechanics of possible improvements in procedures for Northern Ireland legislation in the wake of complaints made during the Renewal debates. Mr Hurd and PUS agreed to this request on 18 July, with the caveat that apparently small changes could raise wider policy issues which the Secretary of State would be happy to talk about at a later date. Mr Molyneaux has not pursued the matter, perhaps because he and PUS have been on leave.

Sinn Fein

5. Immediately following the district council elections, Mr Molyneaux and Mr Paisley signed a pact committing their parties to a joint strategy designed to "smash Sinn Fein". Both parties believe that by refusing to work with Sinn Fein at council level they can eventually persuade the Government to proscribe them. ^{PAB have learned that} /Mr Molyneaux has advised unionist councillors that on all of the 17 councils where they hold a majority, they should act to exclude Sinn Fein from council business by way of simple resolution resolving that council

CONFIDENTIAL

- 3 -

ANNEX A

Business should be conducted by a committee of the council to which, naturally, Sinn Fein members should not be elected." This is in essence the approach adopted originally by Craigavon Council which was ruled to be illegal by the High Court. Mr Molyneaux realises this but believes that a protracted series of Court cases will serve the unionist cause by sustaining public anger and indignation. He claims that he and Mr Paisley (who he says has given similar instructions to DUP councillors) are prepared to launch a public appeal for funds where councils feel that their own resources are insufficient to meet the cost of High Court actions.

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ANNEX B

JAMES MOLYNEAUX

Mr Molyneaux has been an MP since 1970, leader of the UUP since 1979, and a Privy Councillor since 1983. He has impeccable unionist credentials, being Deputy Grand Master of the Orange Order and Sovereign Grand Master of the Royal Black Preceptory.

2. A shy man, with a dry and uninspiring style of leadership, he is nonetheless popular within his party. He is not a gifted public speaker and tends to be rather overshadowed by the charisma and energy displayed by the DUP leader, Mr Ian Paisley. In private, he can be charming; and he likes to present a moderate, almost conciliatory approach which is at odds with his public utterances and the policies of his party. He is not always entirely straight with his colleagues and, on numerous occasions in the past, he has been less than honest when reporting to them on the outcome of meetings with NIO Ministers.

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House of Commons
Westminster
LONDON SW1A 0AA

ANNEX C

28 August 1985

To The Prime Minister
The Rt Hon Mrs Margaret Thatcher MP
10 Downing Street
LONDON SW1

Dear Prime Minister

The people of Ulster are profoundly anxious about the secrecy surrounding current Anglo-Irish talks and we are fearful for the future of constitutional politics should an Anglo-Irish agreement accord the Republic of Ireland any role in the direction or control of Ulster's affairs.

To the people of Northern Ireland any proposal for increased Anglo-Irish co-operation must be suspect given the Republic's claim to the territory of Northern Ireland which is a repudiation of Northern Ireland's right of self-determination. This being so we call upon Her Majesty's Government to challenge the Government of the Republic to withdraw its territorial claim and recognise Ulster's right to self-determination as an essential prerequisite to greater friendship, co-operation and understanding.

Whilst we are eager to accept your assurance that United Kingdom sovereignty over Northern Ireland will remain undiminished we seek assurance that your interpretation of sovereignty accords with our own and, specifically, that sovereignty precludes any British/Irish machinery dealing only with Northern Ireland rather than with United Kingdom/Republic of Ireland relations as a whole.

PROVIDED United Kingdom sovereignty remains undiminished, and provided the Republic's territorial claim is withdrawn, we are willing to contribute to a process of British/Irish discussion and co-operation.

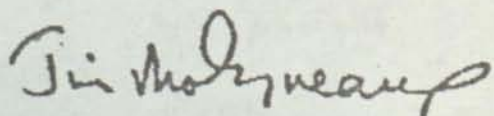
- [a] As members of a newly formed Government of Northern Ireland meeting with opposite numbers in the Government of the Irish Republic to consider matters of mutual interest and concern within the purview of respective departmental responsibilities, and
- [b] As members of a devolved government comprising part of a United Kingdom delegation to talks with the Government of the Irish Republic about matters of mutual interest and concern to both States exclusive of those matters referred to in [a] above, and those touching upon United Kingdom sovereignty over Northern Ireland.

We submit that a continuing SDLP veto over internal political development and a continued denial of local democracy in the wake of any Anglo-Irish agreement could only further erode the confidence of the Unionist majority in the constitutional process, with calamitous consequences.

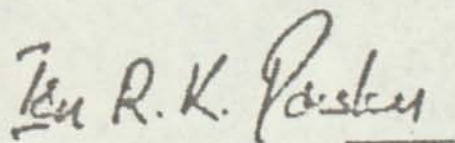
We believe moreover that the SDLP veto is a needless impediment to the Government's professed wish to begin the process of devolution since the SDLP do not want and, vis-a-vis Provisional Sinn Fein, could not sustain a position as members of a Northern Ireland Government.

Short of seats in Cabinet we are nonetheless prepared to consider any reasonable proposals for the protection of minority interests in a new Parliament of Northern Ireland.

Yours sincerely



James H Molyneaux



Ian R K Paisley



*Dear Jim -
See reply (2)
Wick*

ANNEX C

10 DOWNING STREET

THE PRIME MINISTER

13 September 1985

9

Dear Jim

Thank you for your joint letter of 28 August about our talks with the Irish Government.

I am convinced that the present dialogue with the Irish Government represents our best hope of improving cooperation in a number of areas including security and of promoting enduring peace and stability in Northern Ireland. The Government's aim is an agreement from which both countries and all parts of the community in Northern Ireland would derive benefits.

I understand your concern about the continuing confidentiality of our discussions. But if the dialogue is to have a chance of producing useful results, it must remain confidential until it reaches a conclusion. I hope this will not take very long now. And I can assure you that, whether the talks succeed or fail, the outcome will be fully and publicly announced and Parliament will have an opportunity for debate.

I can also repeat my unqualified assurance that sovereignty over Northern Ireland will be undiminished. You asked what I mean by this. I mean first that Northern Ireland will remain part of the United Kingdom for as long as the majority in the Province so wish; and secondly that whatever may emerge from our discussions with the Irish authorities, responsibility for the government of Northern Ireland will remain with UK Ministers accountable to

Parliament. I hope that you for your part will accept that it must be the Government of the United Kingdom and Parliament that determine the policy to be adopted in respect of relations with other countries, including the Republic of Ireland.

Your letter also called on us to challenge the Government of the Republic to withdraw its territorial claim and recognise Northern Ireland's right to self-determination. You will be aware that the Irish Government has accepted that the constitutional status of Northern Ireland cannot change without the consent of a majority in Northern Ireland and that that consent is not forthcoming at the present time.

Finally, I welcome your readiness in principle to cooperate with the Republic as members of a future devolved government in Northern Ireland and to consider proposals for the protection of minority interests. We would certainly hope that any future devolved administration would work closely with the Irish Republic on matters of mutual concern, as in the past. And I know that Tom King, who I gather has already written to you about a meeting, is anxious to pick up where Douglas Hurd left off in exploring possible ways in which devolved government could be restored to Northern Ireland on a basis that is acceptable to both sides of the Community there. We would be happy to consider in the light of this criterion any proposals you may have for devolved government.

Yours sincerely
Margaret Thatcher

The Rt. Hon. James Holyneaux, J.P., M.P.