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RECORD OF A MEETING HELD AT 10 DOWNING STREET - FRIDAY, 4 FEBRUARY 1972

PRESENT:

The Prime Minister of the United Kingdom
(Mr Edward Heath)

The Secretary of State for the Home Department
(Mr Reginald Maudling)

The Secretary of State for Foreign and Commonwealth Relations
(Sir Alec Douglas-Home)

The Secretary of State for Defence
(Lord Carrington)

The Secretary of the Cabinet
(Sir Burke Trend)

Deputy Secretary of the Cabinet
(Mr Neil Cairncross)

Principal Private Secretary to the Prime Minister
(Mr Robert Armstrong)

The Prime Minister of Northern Ireland
(Mr Brian Faulkner)

The Deputy Secretary to the Cabinet
(Mr Kenneth Bloomfield)

Principal Private Secretary to the Prime Minister
(Mr Robert Ramsay)

A. IMPENDING MARCH IN NEWRY: 6 FEBRUARY 1972

1. Mr Heath asked whether there would be any merit in either or both of two courses:- seeking from the Courts an injunction restraining the organisers from proceeding, and/or a direct approach to the organisers to suggest a meeting rather than a procession. Such a meeting could not, of course, be allowed in the Square but would have to be in some acceptable place away from the town centre. Mr Faulkner said that the statement issued from the Joint Security Committee the previous day had been an attempt to steer the organisers into a form of demonstration within the law. As the meeting proceeded, advice was taken on these two points. The Attorney General of Northern Ireland, who was consulted, held that it would be unsound law to seek an injunction against an event already, on the face of it, illegal; and the Divisional Commander RUC advised that a further approach to the organisers would not be productive. They already understood the lawful options open to them. These views were conveyed to Mr Heath, who did not press his

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suggestions further.]

2. Mr Heath said that he had some anxieties about the lack of unified command in a situation such as Newry. The Army and the RUC, two separate forces, would be on the ground. What if the RUC were to lose control and open fire? It was only fair to say that these apprehensions did not appear to be shared by the GOC and Chief Constable; however, the Chief of the General Staff would travel to Northern Ireland next day to review the arrangements. He was concerned that the main barricade could be forced by sheer weight of numbers. While reserve barricades could be set up, there appeared to be some places where there was not a suitable fall-back position. If the Army and RUC were forced to pull back, there would be serious implications for future marches; but the forces could not simply fire into the crowd.
3. Mr Faulkner expressed concern about the problem of cross-Border incursion. The police had it in mind to issue on Saturday a warning that, because of possible congestion, use of certain Border crossing points should be avoided. Mr Heath said that the possibility of effectively closing the Border by some means had been considered, but it had been argued on the other hand that this would merely be seen as a challenge in the South, actually increasing the risk of confrontation. Lord Carrington added that the general Army view was that it would be preferable to create the maximum chaos by checks, searches and delays, and Mr Faulkner pointed out that even a banning of vehicular traffic could not prevent pedestrian incursions into Newry, which was so near the Border.
4. Mr Faulkner impressed upon UK Ministers the great importance of preventing a complete breach of the parades ban. The majority of customary parades for the rest of the year were Orange, and there would be little hope of restraining these if the Newry march could not be controlled. After the expectedly adverse initial reaction, the ban had been gaining a good deal of tacit acceptance in these quarters; but this would soon be dissipated if defiance could not be checked.
5. Ministers reverted to the question of Newry at the end of the meeting, and agreed the terms of a joint appeal to the organisers to think again.

B. THE AFTERMATH OF THE LONDONDERRY DISORDERS

6. On being asked by Mr Heath for his general assessment of the situation after the

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the events in Londonderry, Mr Faulkner said that the immediate reaction was a hardening of opinion on both sides. On the other hand, the extent of alienation in the Catholic community could be exaggerated. A recent meeting of Catholics serving on statutory committees or in official positions had not, he understood, been particularly well attended, and there appeared to be some second thoughts about abandonment of all such positions. Dr Newe and Miss Murnaghan had taken a stand in the other direction. On the Unionist side, there was undoubtedly a new solidarity. In the wider sphere, the danger now seemed to be quite as much to the Republic as to Northern Ireland. It was difficult to judge whether Mr Lynch had turned a blind eye to the burning of the British Embassy to allow the protestors to "get it out of their system" or whether the situation simply could not be controlled; but there was clearly a serious hardening in the South also. Outside Ireland, it was notable that the world Press had, by and large, not overlooked the guilt of the parade organisers in Londonderry. In the longer term, it might be the case that the terrible events in Londonderry would be seen to have cleared the air, once the initial hysteria had subsided. But, for the moment at least, any sort of political initiative had been made much more difficult. Mr Heath commented that the view of the Ambassador in Dublin was that Mr Lynch simply had not the forces at his disposal to stop the burning of the Embassy. He asked whether, in Mr Faulkner's view, there was a real danger of an IRA take-over in Dublin. Mr Faulkner replied that such a development, or at any rate a serious lurch to the right, could by no means be ruled out.

7. Sir Alec Douglas-Home referred to a report which had reached him of Dr Hillery's conversations with the US Secretary of State (Mr Rogers). Dr Hillery had demanded an end to internment and a withdrawal of "British" troops from Catholic areas, and had said that if these conditions were satisfied his Government could "guarantee" that violence would cease. On being pressed as to the meaning of such a guarantee, Dr Hillery had been forced to admit that it represented nothing more than the view of Catholic political representatives in Northern Ireland.

The ending of violence must be sought by other means. Earlier in the week the senior explosives expert of the Provisionals, captured in Belfast, had revealed a real shortage of explosives and of skilled operators.

8. Sir Alec Douglas-Home asked what would be the effect of withdrawing troops from Catholic areas. Mr Faulkner replied that the areas concerned would then be totally open to IRA dominance. There would be a total absence of law and order, and in fact a return to the utterly misguided "no go" policy of Mr Callaghan, which had allowed the IRA to build up to its present strength. The intelligence network, so laboriously built up and now showing increasing effectiveness, would be utterly disrupted. Lord Carrington commented that a withdrawal would not make matters much worse in Londonderry, where it had to be acknowledged that wide areas were not at present effectively controlled, but it would have serious implications in Belfast. Mr Faulkner agreed that the situation in Londonderry was as Lord Carrington had stated it, but this stemmed from the conscious decision to give Londonderry a priority after Belfast and the Border. Mr Heath asked if there would be any support for Mr Craig's suggestion at Stormont of ceding the Bogside and Creggan to the Republic. Mr Faulkner replied that the suggestion was not to be taken seriously. Where would such a process end, and what relevance would it have to the core of the whole problem, the attitude of the Belfast Catholics?

C. ATTITUDE OF UK GOVERNMENT: NATURE AND TIMING OF ANY INITIATIVE

9. Mr Heath then outlined the current thinking of the UK Government. Opinion in Great Britain had reached the stage where a considerable element asked how much long British forces could be exposed in such circumstances. This element could be expected to grow if there was serious trouble again in Newry or at other demonstrations in the near future. Major concern had been expressed at the Cabinet the previous day. Their commitment as a Government was to maintain law and order and reach a political settlement. It would be necessary to form a judgment as to whether the grave nature of the events in Londonderry would assist a settlement, by pulling people up short, or whether they would "have to work their way through the system". Here, too, what would happen in Newry could be crucial. If things

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went badly wrong, there would be great pressures for a "change of course". That, at any rate, was his view and indeed Cabinet thinking. The Foreign Secretary was concerned about conditions in the Republic and the future of Mr Lynch's Government. There seemed to be a real possibility of a major Civil War, affecting both North and South, and resulting in tremendous military demands on the British Government. It was just possible that Mr Lynch had "looked into the abyss" and would act accordingly. But overall, it was his view that they must find means of de-escalating the situation and looking to a more permanent solution. Mr Maudling said it had been clear at the previous day's meeting of the 1922 Committee that the Party felt they could not continue indefinitely on the present course without coming under intense public pressure, while Sir Alec Douglas-Home also felt that, in the event of further trouble in Newry or elsewhere, people would demand some change of course. There was a strong feeling that Mr Lynch was not trying very hard to control the situation, but there was the danger that, in the present atmosphere, no firm action would have public support.

10. Mr Faulkner asked whether there was any evidence that Mr Lynch had even tried. He might be reckoning that if he sat back and did nothing, the whole situation would deteriorate to the point where the UK Government would be obliged to act in a way favourable to Irish aspirations. On the wider issue, he would like to know what was meant by a "change of course". There was surely no thought of pulling out the troops; for that would mean a vast Civil War at once. Mr Heath replied that he believed Mr Lynch did appreciate the dangers. Before Londonderry there had been some signs of action on his part. He could not fail to see that a Civil War would not just affect the North, and that he too would be pulled down. He did not believe that Mr Lynch really wanted Britain to pull out and leave a vacuum. In Great Britain there was great appreciation of the remarkable restraint of the Northern Ireland majority, and as yet no great criticism of the forces. But there was a growing feeling that they could not go on indefinitely doing a horrible job with no sign of an improvement. Lord Carrington added that there was an increasing impatience with the notion that any solution could be expected to "emerge", and a rising demand that something positive must be done. Sir Alec Douglas-Home noted that

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in America Dr Hillery had continually talked of Britain's "Military solution" and had even spoken of the use of force to "resist the British".

11. Mr Faulkner agreed that the calm of the majority had indeed been remarkable. This was because they had confidence that the two Governments would not let them down or succumb to the IRA. If ever they came to suspect that this was not the case, they would quickly become active.

12. Mr Heath then raised for discussion a range of matters which they had been examining.

(a) Variations in the Border and exchanges of population

13. Mr Heath referred back to Mr Faulkner's opinion that ceding areas as suggested by Mr Craig could not be considered. Why would Unionists wish to hang on to Newry or (say) the Catholic areas of Londonderry? Mr Faulkner replied that few areas were entirely Republican, and any system of local plebiscites would be seen as opening a very dangerous door. In 1925 both Irish Prime Ministers had considered it more prudent not to *tinker* with the Border. When Sir Alec Douglas-Home asked about the possibility of exchanges of population, Mr Faulkner replied that he could not see people being willing to move and face a drop in living standards.

(b) A Referendum or Plebiscite for Northern Ireland as a whole

14. Mr Heath asked what view would be taken of a constitutional referendum for Northern Ireland as a whole? Mr Faulkner replied that this had not been seriously considered or debated, but his initial reaction was that many Catholics, knowing the inevitable result, would simply see this as a device to tie them to the existing system until a further referendum, and that extremists might well attempt to nullify or disrupt it. Mr Heath said that even if this was so, might Mr Lynch not accept it? When Mr Faulkner answered that he thought this unlikely, Mr Heath recalled that Mr Lynch had always accepted that there could be no change without consent, but Mr Faulkner pointed out that Mr Hume, who was reckoned to be close to Mr Lynch's thinking, was now talking in terms of "a united Ireland or nothing". Mr Lynch might settle for some kind of federal solution in Ireland, but seemed determined to break Northern Ireland's link with Britain. Mr Heath felt that, while this might be Mr Lynch's ultimate aim, he did not really seek for it at present. He must

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realise that, on financial and economic grounds alone, the thing was not feasible.

15. Mr Heath asked how Unionists would react to the idea of a referendum. Mr Faulkner replied that great importance was attached to the 1949 Act. Any change could be seen as some kind of going back on that guarantee. Mr Maudling observed that surely it would not be argued that, if ever an electoral majority existed for Irish unity, the Northern Ireland Parliament could continue to oppose it. Mr Faulkner said it was difficult to see what a referendum would solve. No doubt the intention was to take the Border out of politics, but would it not on the contrary only increase frustration? He himself continued to believe, that, when they were able to get on top of the violence and end internment, the feelings of the minority against the institutions of Northern Ireland would be seen to be less deep-rooted than now appeared. It was self-evident that there was no going back to the position before 1968/69; but as recently as July 1971 the Opposition had been prepared to work the system and welcome his Committee proposals. If violence could be ended, he would then be in a strong position to urge magnanimity upon the majority, eg in looking beyond Party confines in Government.

(c) Internment

16. Mr Heath commented that the question was - could violence be ended without some sort of initiative? And how much time had they? Sir Alec Douglas-Home said that a commitment to a plebiscite in (say) 20 years' time could give some hope of change. Associated with this, could they start to phase out internment now, or must they wait further? One could conceive of a "package" of which the principal elements would be willingness to phase out internment and a 20-year plebiscite. Mr Faulkner replied that he was sure the Army would say it would be suicidal to make any move on internment before getting on top of the IRA. This did not mean waiting for an absolute ending of violence, but with so much bombing etc still going on, a move could thwart RUC/Army efforts to control the situation. There was, however, an alternative course which might be considered. Some time ago new permanent legislation to replace the Special Powers Act and Regulations had been drafted. If these proposals could not be agreed between them, he might either announce that such legislation would be introduced when violence ended, or

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actually introduce it, to be activated on an appointed day once peace was restored. This would have no effect on the IRA but would be an earnest of good intentions to moderates in Northern Ireland and wider world opinion. Apart from something of this kind, he did not see what could be offered, while violence continued, that was likely to help bring violence to an end. The question of timing was clearly crucial.

17. Mr Maudling said that there was a growing opinion that time was running against them. The Army might not be able to bring violence much below its current level, and meanwhile internment continued apace. Lord Carrington expressed disappointment at the recent recurrence of trouble in Belfast, but Mr Faulkner felt the hard-core element there were steadily being eliminated. The GOC still held to his view, as he had done consistently for months past, that they would be on top of the Belfast situation by March. When Mr Maudling asked what such statements were intended to mean, Mr Faulkner replied that he would expect to see the hard-core IRA virtually inactive in the city. Mr Heath interjected that Londonderry would then have to be faced, and recent events there gave all too clear an idea of what would be involved. Mr Faulkner agreed that it would be a major task (General Tuzo had mentioned 3,000 men); but if March saw a real improvement in Belfast, that might be the time to consider de-escalation of internment and any other steps. Lord Carrington said that the recent evidence pointed to the conclusion that to restore order in Londonderry by military means would require a confrontation too massive to be tolerated by public opinion. The operation might well meet virtually total resistance from the people of Bogside/Creggan. They might reach the point of control in Belfast by military action, but not elsewhere. Mr Faulkner pointed out that to reach control in Belfast would be to win 90% of the battle. The Londonderry situation was complicated by proximity to Donegal, but it was not a vast place, and a determined action would not be comparable with what had happened on the day of the procession. Forces would no doubt try to infiltrate the area stealthily by dead of night. Lord Carrington commented that he could not remove from the back of his mind a slight reservation about the Army's tendency to be over-optimistic. Mr Maudling shared that view. He was still not clear what position the Army hoped to reach in Belfast by March. Mr Faulkner explained

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that West Belfast was being reduced area by area. Ballymurphy and New Lodge had been substantially cleared out, and Andersonstown was now being dealt with. All the IRA leaders of substance were being accounted for, and the growing measure of control made possible good intelligence on any efforts to re-infiltrate.

18. Mr Heath then turned to the problem of internment itself. The underlying difficulty was the minority view that it was used for Unionist political purposes and not just for security reasons. Was there any way to bring men to trial? Were the criteria for release used by Judge Brown's Committee the right ones? Was it possible to indicate how and when it would be wound up? The UK Government could not detach itself from the internment issue. UK forces were involved in picking up men, and now even UK prison staffs were required to staff the camps. The question therefore had to be asked: were there any possible steps contributing to a move in the situation which would not expose forces and civilians to gunmen?
19. Mr Faulkner replied that the fundamental difficulty in any form of trial was the exposure of police and other witnesses to the gravest risks. He had raised with Judge Brown and his colleagues the possibility of their examining cases before internment and making recommendations. This they had opposed on two grounds - first that they simply did not wish to make such decisions, and secondly that such a procedure would so clog the whole administrative machine as to greatly extend detention periods. No doubt some degree of "window-dressing" would be possible; but he did not see how they could substitute convincingly any true court proceedings. Mr Maudling agreed with this point. Fundamental to any true trial was the confrontation of accuser and accused, and he did not see how this could safely be done in such circumstances. Mr Faulkner recalled the recent murder of the Crown witness, Mr Agnew. Police witnesses would be even more at risk. When Mr Maudling observed that numerous cases were in fact coming before the courts, Mr Faulkner explained that in many of these cases the defendants had been caught red-handed. Mr Heath asked whether people could not simply be charged with membership of the IRA, but the difficulties of securing convictions in such cases were explained. Mr Maudling added that the kind of evidence justifying internment

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was not necessarily of a quality to stand up in court.

20. Mr Heath asked whether any progress was being made in "separating the sheep from the goats". Mr Faulkner replied that some progress was being made. In general, not least because of accomodation problems, they wished to intern people of real importance, not "minnows".

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1 Mr Heath asked how it was envisaged that internment would ultimately be wound down. Mr Faulkner replied that it could not be done all at once. Of those now interned, some 350 were "officers" in the two IRAs, and the rest "volunteers" etc. Release would start with the latter - so many a week. When it came down to the hard core, some would no doubt have to be released without having given any form of undertaking, but if general violence had died down, such people could be closely watched. Mr Heath asked how many of the current internees were "repeats" from the previous campaign; Mr Faulkner guessed fewer than 50.

22 Sir Alec Douglas-Home asked if the introduction of new public security legislation, such as Mr Faulkner had mentioned, would affect the position of the existing internees. Mr Faulkner explained that he would have in mind that the new system would only come into effect after the present emergency had ended. Mr Heath asked whether such legislation could be got through Stormont, and Mr Faulkner replied that he believed it could, on an "appointed day" basis. A part of such legislation would put the internment power into "cold storage", to be re-activated only on the declaration of a State of Emergency by the Governor. An important decision would be whether prior parliamentary approval would be required for such a declaration; he did not believe this would be practicable in a security matter.

23 Sir Alec Douglas-Home asked whether one could envisage a statement that (say) after a month's peace X internees would be released, after a further period Y - the whole to be linked with agreement to talks? Mr Faulkner replied that it might be possible in certain circumstances, but at present intimidation would inhibit any positive response. Lord Carrington inquired whether it was not also ^{true} ~~xxx~~ that Army action was progressively antagonising the Catholic population. Mr Faulkner felt this could be over-stressed. In a number of areas house searches were now receiving a much quieter reception.

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24 Mr Heath asked how important it was to hold the "smaller fry"? Mr Faulkner replied that all of those held were of some importance, but he was prepared to consider a thoroughgoing review to see whether any could be released without involving the Advisory Committee. At the moment, though, he felt that nothing short of total release would make much difference. Mr Heath observed that, even if it made no difference in Northern Ireland, it could in Great Britain and elsewhere. Any change of course necessarily involved certain risks, but he remained worried about the "hard core". Sir Alec Douglas-Home felt that a gesture on internment could only produce results as part of some wider 'package'.

(d) Road cratering

25 Mr Heath sought a political judgment on the continuing need for these measures. Mr Faulkner replied that there was still strong feeling in Northern Ireland that Border control measures were inadequate, and cratering clearly helped to close some bolt-holes. Mr Heath said he found the Army very divided on the subject; many felt cratering was ineffective as a security measure and merely stirred up trouble on the Border. Lord Carrington added that it was really strong political feeling which had led them to take these steps. Mr Faulkner said he would find it difficult to argue that a tighter control of approved crossings, greater use of UDR and other alternative measures of tightening control would not make it possible to forget about cratering.

(e) A possible "political initiative"

26 Mr Heath then asked whether they could consider a change of course to show the Catholics they would have a fair deal. Could they think of the future form of Government in Northern Ireland, associated

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(perhaps) with a referendum every 20 years, pending any wider North/South agreement? There seemed to be no real obstacle on the Northern side to practical North/South co-operation in the right conditions; indeed it was Mr Lynch who had rejected such suggestions at Chequers. The question was how to construct the internal Government of Northern Ireland to take account of the permanent majority/minority problem. He appreciated that timing was all important. They should look for a definitive final solution, not one to be cast aside in some future crisis. Mr Faulkner had said that there could be no return to the pre 1968/69 position. What did this imply?

27 Mr Faulkner replied that, in the light of all that had been done and agreed to, the structure of Northern Ireland would be radically and irreversibly changed. But the fact had to be faced that, on the question of the link with Britain, the majority and the minority held incompatible views. Moreover, whatever Mr Lynch perceived with his intellect, he and his colleagues were emotionally drawn to the old dream of a united Ireland. Could they, or would they, ever set it aside?

28 Sir Alec Douglas-Home commented that what was envisaged so far was a protection of Catholic rights, but this did not guarantee them participation in Government and administration. An offer of (say) one-third of the offices in Government would be another matter. Would this not satisfy them? Mr Faulkner recalled in reply how Mr Hume had moved from one demand to another. Now it was "a united Ireland or nothing". Sir Alec wondered, however if, having found some means to set the unity issue on one side, the problem of giving a voice in Government and administration could be met. In reply, Mr Faulkner

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asked how an MP elected on a "united Ireland" ticket could be credible to his own electorate as a member of a Government trying to improve standards in Northern Ireland as a part of the United Kingdom (and thus inevitably to diminish the prospects of ultimate unity). Mr Maudling, referring to the case of Dr Newe, said he could not accept that it would be impossible to set the unity issue aside and work constructively in Government. When Mr Faulkner asked on what basis such people would fight elections, Sir Alec Douglas-Home repeated that he envisaged the context of the Border issue "stymied" for (say) 20 years at a time. Mr Maudling agreed that the aim must be a long enough referendum period to allow people to say: "The Border is not at issue for X years". Lord Carrington added that a further overall objective should be to find a package which the Republic's Government could accept, while moving with public support against the IRA.

29 Mr Faulkner said that if influential leaders in the Catholic community took a line similar to Dr Newe's, he did not feel their inclusion in Government would present insuperable problems from the Unionist viewpoint. But much would depend upon the circumstances in which the issue was raised. If the IRA had been controlled and peace restored, that would be one thing; but if such a radical change were proposed or made while IRA violence continued, the position would be hopeless. The majority would say that ordinary, democratic principles were being set aside simply to appease the IRA.

30 Mr Maudling asked, apart from the question of timing, for reactions to Catholic participation in Government (on a minority basis) coupled with a constitutional referendum after 20 years. Mr Faulkner inquired whether they regarded the Catholics as "the minority" in this context, or anti-partitionists? Mr Maudling replied that he envisaged reserving a number of positions for Catholics as such. Mr Faulkner

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observed that this seemed to discriminate against other minorities, including those (eg the Northern Ireland Labour Party) which cut across sectarian divisions. Many interests (such as the Trade Unions) were entirely opposed on principle to any system of religious quotas.

31 Sir Alec Douglas-Home said that there was already one Catholic in the Cabinet. Why not (say) 3? Mr Faulkner replied that if such people were not elected, Catholics would say they did not represent them. Dr Newe himself had made it very clear he did not claim in any sense to represent Catholics; his presence was really an assurance that what went on in Cabinet was open and above-board. He could not see that it would be practicable to have the present elected Catholic members in a Cabinet, either from a Unionist point of view or from their own. Mr Maudling commented that he, who had dealt in other days with Jomo Kenyatta, was conscious of the unexpected things which could become possible in changed circumstances. Sir Alec Douglas-Home said that at an Election there might be returned some Catholics intransigent for a united Ireland and other prepared to accept and work a "package". These more moderate people could then be used.

32 Mr Faulkner commented that Westminster legislation would be needed to implement most of the Green Paper proposals. Mr Heath foresaw no trouble with this as such; but any proposals to amend the 1920 Act would raise wider issues.

33 Returning to the basic question, Mr Heath said that if the SDLP could not be brought into talks, they could either do nothing or take an initiative unilaterally. On the issue of "community government", it was argued that this should be guaranteed by law, and not simply dependent on the Prime Minister of the day. Mr Faulkner observed that the majority were bound to say in relation to such ideas - what

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have we done wrong? Why should we submit to this? Mr Maudling argued that if part of the package ^{SYMPOD TIME} ~~closed the~~ Border issue for at least 20 years, Unionists ought not to see it as "submission", while Mr Heath said that it was not a question of right or wrong but of regulating the relationship between the two communities and taking account of the problem of permanent one - Party Government. The majority must surely be prepared to sacrifice something for a peaceful existence, and the consitutional position, as he understood it, was the right of Northern Ireland people to stay in the United Kingdom as long as they wanted, not some particular scheme of internal government. Direct rule would be contemplated only ⁱⁿ the event of total breakdown, but even if this happened, why should Unionists regard their closer integration into the United Kingdom as in any way threatening the basic Unionist position? Mr Faulkner replied that the existence of Stormont was seen as a bar to any move towards unification of Ireland. It would be easier to make such a move if one did not first have to dismantle a Parliament.

34 Mr Heath said that many people had pointed to the pattern of the Londonderry Commission. How had they managed to do a good job without undue friction? Mr Faulkner replied - by taking on most issues the line of least resistance to the majority (Catholic) interest. And, Mr Maudling added, it was only fair to add that all their efforts had not prevented Londonderry becoming a major trouble-spot again.

35 Lord Carrington asked what might be done to persuade Unionists to accept some change in their paramount Party position? Mr Faulkner replied that in the context of absolute firmness on the constitutional position and the preservation of the Northern Ireland Parliament it might be possible to move towards change on the Unionist side. But he could not see a constitutional referendum after 20 years as in any

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way satisfying the Catholic side. Mr Heath commented that it would depend on how much Catholics wanted to see an end of violence. People in the South might be happy to accept a Referendum procedure, provided the possibility of unity by consent was not excluded. They seemed to have some fear that, while the power to decide rested with the Stormont Parliament, Unionists would always find some means to manipulate that Parliament in order to maintain control. Lord Carrington observed that 20 years deferment could seem a very long time from the Catholic point of view. It would mean no hope of a united Ireland in the lifetime of some of the present politicians.

36 Mr Faulkner said that, supposing one accepted a "package" which included setting the unity issue aside for 20 years, this could not bind a future Parliament, but Mr Heath pointed out that this could also be said of the 1949 Act. The aim would be to get a settlement agreed by the two main parties in Britain and accepted by Mr Lynch. This was the best one could expect. Lord Carrington asked if the offer could be a referendum now and another in 20 years, but Mr Heath did not think this would be possible. Mr Faulkner re-iterated that he found it difficult to see how the South could accept. Were they, for example, to amend their Constitution?

(f) Inter-party talks

37 Mr Heath reported on the lack of progress in setting up such talks. Four meetings with Mr Wilson and Mr Callaghan had got nowhere. Labour had been unable to persuade the SDLP to come in. Even talks between Westminster parties had been stymied because they insisted on a "Privy Counsellor" basis, to take account of security issues, while Mr Wilson had already accepted backbenchers as part of his "team". However, even if the formal talks were deadlocked, conversations in private on a Privy Counsellor basis could proceed.

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(g) Timing of any initiative

38 Mr Faulkner asked what timing British Ministers had in mind for any initiative such as they had discussed. Mr Heath replied that he had no particular timing in mind. What he hoped they could do would be to sort out a "package" privately before anything was made public. Timing would inevitably be influenced by events in Newry and other places and by future military assessments. Before Londonderry he had begun to feel that perhaps the Army in Belfast had obtained as much control as they could. Then there was Mr Lynch's position; when could he "deliver" any support for a settlement? Mr Lynch might, of course, "descend upon us" at any moment. If Newry went badly wrong his position could quickly become untenable. Lord Carrington observed that it was unlikely they could do anything for Mr Lynch which would help him, and Mr Heath asked whether it was, indeed, in their interests to help Mr Lynch. Referring to the proposed grant of £100,000 to Northern Ireland interests, Mr Faulkner said he had certainly been of little use so far.

(h) Transfer of law and order powers to Westminster

39 Mr Heath noted that the Opposition were now committed to a policy of transferring all law and order powers to Westminster. What were the arguments on this? Mr Faulkner replied that he had made his attitude clear publicly. This would be in substance direct rule, reducing the Government of Northern Ireland to a sham. The 1920 Act gave them responsibility for "peace, order and good government". Any such change would erode the first two, fundamental powers. When Mr Maudling argued that there would remain the whole range of social and economic development, Mr Faulkner said that in any case the change made no practical sense. What difference would it make to a real problem, such as stopping an illegal parade? In Londonderry the

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Soldiers were damned as "British troops", not because of some absurd ideas about the Joint Security Committee. For no practical advantage, Stormont would be reduced to a mere County Council. The Northern Ireland Government would be totally without credibility. Mr Maudling said that in practice that Government now had to rely on the Army, but Mr Faulkner observed that this was a temporary arrangement in wholly exceptional circumstances. He wanted to make it quite clear that if this transfer of powers were proposed, he would call for withdrawal or direct rule. The whole basis of such a proposal was that a Northern Ireland Government could not be trusted. The question to be answered was: do you want to maintain a credible Government in Northern Ireland or not?

D ECONOMIC QUESTIONS

40 In the course of a brief discussion Mr Faulkner explained that there were virtually no new industrial development fish "on the hook" and that one or two big existing industries (eg ICL) were in difficulties. On the other hand the bulk of industry had held up remarkably well, and Harland & Wolff looked like being quite a success under its new management. Labour relations were good, productivity was rising, and it was hoped soon to consult DTI on expansion proposals which could involve many more jobs. The Finance Corporation legislation should be enacted by Easter, and it was hoped that Mr Villiers would head it.

41 In reply to a question from Mr Heath, the arrangements for compensation for civil disturbance losses were explained.

/E CONCLUSION

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E CONCLUSION

42 In winding up the discussion, Mr Heath re-emphasized the need to take action to maintain public support for Army action and general policy in Northern Ireland. They would have to consider timing most carefully, to keep a close eye on Mr Lynch's position, and take account of the trend of events in Newry and elsewhere.

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