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1. Mr Hopkin
2 see page 3 for distribution

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W. P. [Signature]

10 DOWNING STREET

From the Private Secretary

10 May 1979

D. [Signature]
[Signature]
[Signature]

Dear Paul,

The Taoiseach's call on the Prime Minister
at 10 Downing Street on 10 May 1979

As you know; the Taoiseach, Mr. Jack Lynch, called on the Prime Minister at No.10 this afternoon at 1530. He was accompanied only by his Private Secretary, Mr. Dermot Nally. The following are the main points of substance which arose during half an hour's conversation.

Northern Ireland

Mr. Lynch said that he was very glad that the Government had come to office with a majority sufficient to allow them to take positive action. The Prime Minister said that she had complete confidence in the new Secretary of State for Northern Ireland and that she was sure that Mr. Atkins would carry out his responsibilities very successfully. Mr. Lynch referred with appreciation to the message which Mr. Atkins had addressed to the Irish Foreign Minister Mr. O'Kennedy. The Prime Minister said that they would of course be very satisfied to work for a solution to the Northern Ireland problem but that the problem was of a nature which did not yield to instant solutions. Mr. Lynch stressed that he was not attempting to force any substantive discussion of Northern Ireland on the Prime Minister and recognised that she would need time to study the problem.

Later in the discussion, Mr. Lynch said that the Irish Government were looking forward to a more positive political approach in Northern Ireland. He would not use the phrase "power sharing", which he knew would not be well received, but the Irish Government did hope to see some form of shared responsibility in the North. Mr. Lynch referred to the late Mr. Airey Neave's ideas on Regional Councils and went on to comment that the local authority regime in Northern Ireland had in his view tended recently to revert to the old system, with all the discrimination in housing and other matters which had been associated with it. This process could quickly break down the goodwill which had slowly been created. Mr. Lynch said that he thought that co-operation between the Northern Irish police and the Republic on security matters had been of a high standard. It was of course difficult to control everything which happened south of the border; the Irish Government had set up

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special courts and had made it possible for convictions to be obtained for membership of the IRA on the evidence of a senior Garda officer. But, Mr. Lynch said, the Government's task was made much more difficult when people like Mr. James Molyneaux talked about the Republic being a "haven for terrorists".

Mr. Lynch said that in his view Mr. Roy Mason had made a mistake in proclaiming so loudly that the security forces in Northern Ireland were getting the better of the IRA. This put the IRA on their mettle and spurred them on.

Economic matters

Mr. Lynch said that the CAP had been of great benefit to Irish farmers, enabling them to increase production by 300% in five years. The Anglo/Irish trade agreements, however, had been very unfavourable to the Republic. On the EMS, Ireland had feared that when she joined the scheme the pound sterling would depreciate against the Irish pound; in the event, the reverse had happened and this was a great help to Irish industry. Mr. Lynch said his Government warmly welcomed the Foreign and Commonwealth Secretary's recent statement on the EEC and the British Government's positive approach to Europe. Under the Labour Government, the United Kingdom had seemed to be dragging its feet at every level. Mr. Callaghan had been slow to encourage the concept of the EMS and in both the Agricultural and Energy Councils progress had been very significantly obstructed by British positions. The same had been true over fisheries. The Prime Minister commented that fisheries policy was a problem of great difficulty for the United Kingdom: fish was a common resource without a common market. Acknowledging this, Mr. Lynch described Irish efforts to build up Ireland's fishing industry.

In conclusion, Mr. Lynch commented that cross-border economic co-operation between Northern Ireland and the Republic was going ahead very well - with a low profile, but effectively. The Prime Minister has said that she would like to be briefed on this: I should be grateful if a note on the progress made in cross-border economic co-operation to date could be prepared in time to reach me by 17 May.

Mr. Lynch suggested to the Prime Minister that they should get in touch in due course, with a view to arranging a more substantive meeting; the Prime Minister said that she would need some time to study the issues which they would wish to discuss. Mr. Lynch suggested that the Prime Minister might join the other EEC Heads of Government in attending the signing ceremony for the accession of Greece to the Community, which was to be held on 28 May. The Prime Minister said that she could not commit herself at this stage. I should be grateful for advice

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* Foreign Office is preparing this in consultation with the Crown (NIO)
Mr Palmer is aware.

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how she should respond to any more formal invitation which may be addressed to her.

It was agreed that Mr. Lynch's visit to No. 10 would be described to the Press by both sides as a courtesy call and that it would be made clear that there had been no substantive political discussion. Questioned by journalists outside No. 10 (with the Prime Minister looking on) Mr. Lynch said that although Northern Ireland, security matters and cross-border economic co-operation had been mentioned during his talk with Mrs. Thatcher, none of these subjects had been covered in detail.

I am sending copies of this letter to Joe Pilling (Northern Ireland Office), Roger Facer (Ministry of Defence) Tom Harris (Department of Trade), Garth Waters (Ministry of Agriculture, Fisheries and Food) and Martin Vile (Cabinet Office).

Yours ever,
Bryan Lawson.

Paul Lever, Esq.,
Foreign and Commonwealth Office.

2cc for information
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