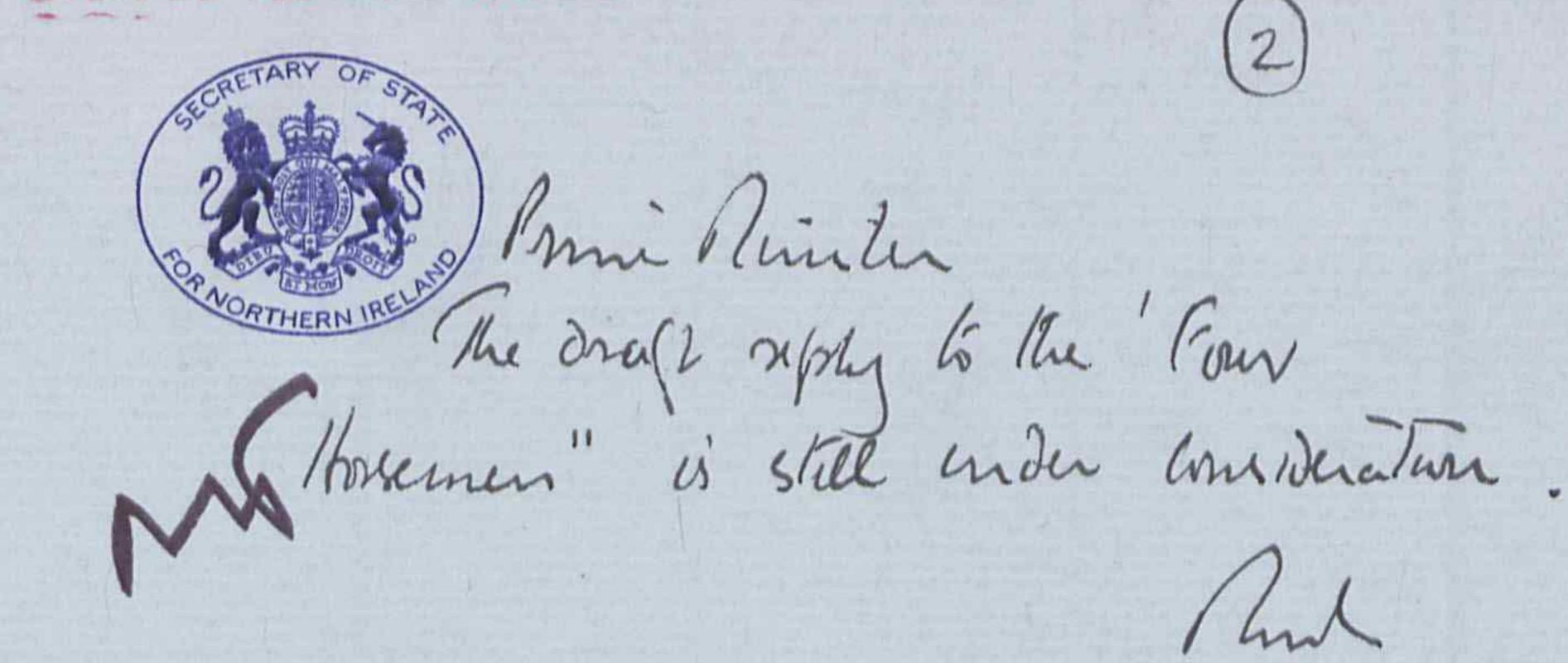
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PRIME MINISTER



I reported to Cabinet on 7 May about the situation in Northern Ireland following Sands' death two days before. You may like to have an account of what has happened since and how we see things developing in the next few days.

- 2. Sands' funeral on the afternoon of 7 May was the major spectacle that we had expected. However the numbers turning out (30,000 by the police account) were fewer than PIRA would have hoped, and the proceedings were relatively peaceful. Even so, there was extensive intimidation practised on firms, shops, schools and so forth; many who duly stayed away from work did not come out on parade, or only briefly. Also, the more offensive aspects of the funeral itself were to some extent counteracted by the service in which Father Mullan prayed for Constable Ellis as well as Sands, and by the service of commemoration for all those killed in the troubles which Dr Paisley conducted with skilful moderation at Belfast City Hall. The resulting media coverage at the end of the day was generally more balanced than we expected and not unhelpful.
- 3. The renewal of disturbances expected after the funeral has been effectively contained by the efforts of the security forces. There are indications that PIRA themselves see advantage in continuing the current campaign at a less violent level on the streets, though certainly not at the expense of continued terrorist attacks on the security forces. There has been a rise in the incidence of such shootings, mostly opportunist; there have also been two mortar attacks, accurate but fortunately causing only one serious injury, on border police stations at Newtownhamilton and Rosslea (though the attacks were mounted from vehicles close to the police stations, well to the North of the border). In all this, and in the continuing nightly rioting, we have been very fortunate to see so few security force and civilian casualties.

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4. Inter-sectarian tension has eased, though the Catholics remain apprehensive and the Loyalists suspicious. Both sides need continued reassurance. That has been our local message through the media. To the world at large, as you know, apart from giving some balance to the picture of violent activity that appears on the television screen, I have been at pains to get across that the situation has not arisen (as some suggest) because the Government has refused to make some minor change in the prison regime, but because the protesters have always stuck out (and are still sticking out) for the granting of "political status" i.e. an acknowledgement that their murders and other appalling crimes can be politically justified and therefore that they should be allowed to take over control of their parts of the prison. I propose that we should take advantage of the message from the Four Horsemen (Senator Kennedy et al) to spell out this position, plus evidence of our flexibility on the prison regime generally, to the audience in the United States.

6. I am sending copies of this letter to Cabinet colleagues and to Sir Robert Armstrong.

· HUMPHREY ATKINS (Signed on beha.

(Signed on behalf of Secretary of State in his absence)

hunde Kennell

12 May 1981

^{5.} The next immediate hurdle, however, will be the death of Francis Hughes, which may well be very soon; he may not last more than 24-48 hours, confronting us with another PIRA orchestrated funeral in rural South Londonderry, perhaps over next weekend. I am assessing the prospects for this now and will report further to the Cabinet on Thursday.