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## <u>CONFIDENTIAL</u>

REPORT BY GEOFFREY HOWE ON VISIT TO NORTHERN IRELAND

3rd and 4th July 1977

Apart from those to whom I spoke when I addressed the Chamber of Commerce, I met the Chief Justice, the Chief Constable, the Lord Mayor of Belfast, Brian Cubbon (Permanent Secretary in the Northern Ireland Office) Joe Cunningham and Austin Ardill of the official Unionists, and the Director of Public Prosecutions. I have prepared a separate note on the "new offence of terrorism".

The official Unionists were courteous and amiable. They referred to their useful contacts with our official spokesmen, but seemed rather more interested in what the Government was doing. They saw the establishment of a Speaker's Conference as an important concession by the Government which showed that Northern Ireland matters were being taken more seriously. They were not inclined to give any of the credit for the Speaker's Conference to the Conservatives' long advocacy of increased Northern Ireland representation.

The official Unionists, for the purposes of this discussion, regarded Molyneaux as the master of their destinies at Westminster. Powell was not mentioned.

On integration there was a slight divergence of view between Ardill and Cunningham. Ardill described integration as a "red herring designed to put Mason on the spot" and force his hand over devolution. Since the SDLP would not accept integration, it was quite impracticable. Cunningham seemed a little closer to the Powell line, saying that Unionism after all came into being to resist Home Rule in all forms. In the event of partial devolution, Cunningham said he would favour three Councils, not one.

Significantly perhaps, the view in City Hall was not unanimously in favour of a devolved parliament in present circumstances. The Lord Mayor stressed the need for a new generation of political leaders to replace the old guard, particularly on the Unionist side.

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Virtually everyone was impressed by Mason personally and by his present thrust on security. The fact that the police were increasingly in charge of the whole operation, with the emphasis on detection rather than detention, was regarded as very fruitful. The need to maintain the will to succeed on this front was seen as the key to securing a change in the attitudes of those who condition the public position of party leaders.

Cubbon stressed the importance of maintaining the objective of a sufficiently widely acceptable form of devolved government - but underlined the immense difficulties and the need to encourage proposals from within the Province rather than to take the initiative on promoting change.

The Chief Constable (whose views were echoed by Cubbon) emphasised the continuing width of the gap between, for example, the Paisleyites (and most Unionists) and the SDLP.

The official Unionists were obviously flirting with the idea that a <u>de facto</u> coalition with the Alliance Party might produce an acceptable way forward, on the basis that 80% of Alliance's supporters were Catholic. Such a coalition, they thought, might meet Westminster's preconditions for renewed devolution. Cubbon strongly discounted this on the basis that it built no real bridge with SDLP supporters, including working-class Catholics.

Probably more representative was the tendency in City Hall instinctively to seek a majority on the basis of all the Unionists working together.

The Unionists were at great pains to emphasise their desire for Northern Ireland to be treated for the purposes of direct elections in exactly the same way as the rest of the United Kingdom.

The Labour Party seemed (not surprisingly) to get good marks for their generosity with public spending; but there is widespread anxiety about the very high differential in energy costs payable in the Province (gas is three times as expensive); we shall clearly be subject to intense pressure for some kind of subsidisation on this front, particularly in view of recent official studies of both electricity and gas in the Province, whose reports call for heavy expenditure by government.

It is particularly irritating that the official Unionists choose now to proclaim their support for the Government when (as it seems to me) the facts of Ulster life virtually compel both major parties to proceed on similar lines on the constitutional questions.

Clearly we have to face a very long haul in which I feel it would be useful for us to try to present more frequently, particularly to the business community, the general United Kingiom economic arguments as the real foundation for a more prosperous future.

I suggest (with all the modesty appropriate to a 24-hour expert) that:

- 1. We should encourage more speaking visits to Ulster by economic and industrial spokesmen.
- We consider what else we can do to show that Ulster can expect at least as much constitutional progress (and more effective security) from a Conservative as from the present Government.

I realise that all this is subject to Powell's baleful influence. But Ulster shows so many signs of becoming (like the North East) a "natural" for state-subsidised Socialism that we need to act vigorously if we are to rebuild and retain a Conservative base in the Province.