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SECRETINTER-DEPARTMENTAL UNIT ON NORTHERN IRELAND
POLICY ON NORTHERN IRELANDDISCUSSION PAPER NO. 3.Negotiated Independence for Northern Ireland and Negotiated
RepartitionOrigin of paper

1. At their meeting on 18th July, 1974, the Government considered two Discussion Papers in relation to policy on Northern Ireland, prepared by the Inter-Departmental Unit ,

["British withdrawal from Northern Ireland" (Paper No. 2) and "Implications of substantially increasing the strength of the Defence Forces" (Paper No. 3)] and a Memorandum from the Minister for Foreign Affairs, on "Policy options and actions with regard to Northern Ireland" The Government made a number of decisions in regard to the recommendations contained in Discussion Paper No. 2 and the Memorandum for the Government. One of these was that the Inter-Departmental Unit on Northern Ireland should undertake detailed studies of the implications of negotiated repartition and of negotiated independence. This Paper is concerned with these questions.

2. BACKGROUND:

Paragraph 4 of the Memorandum for the Government set out six possible outcomes to the Northern Ireland situation, as follows:-

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- (1) agreement on power-sharing within the United Kingdom, based on a much wider consensus than at Sunningdale (if the Convention proposed in the British White Paper is successful, this is the most likely outcome);
- (2) negotiated independence for Northern Ireland with "guarantees" for the minority;

- (3) total integration with the United Kingdom accompanied by increased representation at Westminster;
 - (4) negotiated re-partition;
 - (5) withdrawal by Britain, either phased or sudden, possibly leading to re-partition;
 - (6) UDI followed by British withdrawal, possibly leading to re-partition.
3. The Memorandum went on to refer to possible outcomes (2), (4), (5) and (6). In relation to (5) and (6), it stated 'Discussion Paper No. 2 attempts to deal with the situation that would arise in the case of either of the latter two outcomes'.
4. On No. (2), it said:- "Negotiated independence could lead to an ending of IRA violence especially, of course, if the IRA were involved in the negotiations but would create the problem of how to guarantee the minority in Northern Ireland in a continuing way against the danger of an extreme Protestant takeover and pogrom. Even if independence could be negotiated on terms acceptable to the minority there would be the problem of how to ensure the maintenance of these terms in the event of a Protestant coup. It is because of grave doubts as to the feasibility of any absolute guarantees to the minority in these circumstances that both we, and to an even greater extent the SDLP, representing the minority, have regarded this solution with disfavour. For what it is worth, however, it may be noted that on a recent visit to Northern Ireland, the Minister for Foreign Affairs detected a shift in the position of one supporter of negotiated independence - John Taylor - who, in contrast to his position a year ago - admitted the possibility of a substitution of a United Nations garrison presence as part of the system of guarantees.

It remains very doubtful however whether others in the Protestant community would accept such an arrangement, and very doubtful also whether such a United Nations force could be assembled and kept in Northern Ireland for a prolonged period.

5. On No. (4), it said:- "Agreed re-partition should be the subject of a further policy option study. Consideration of the emergence of a de facto re-partition situation comes properly within the context of Discussion Paper No. 2 though a further development of that Paper to consider the possibility of an IRA takeover of certain border areas in that situation might be considered".
6. The Memorandum went on as follows:- "Without further detailed study such as that on the re-partition option referred to in paragraph 10 above, it is difficult to say which of the other options we should aim for as a fall-back position but it is clear that negotiated independence is now sufficiently possible for us to re-examine its implications in detail and decide whether in fact we maintain our negative attitude to it and what steps we might now begin to take to make it more acceptable should it in fact arise".

7. LIKELIHOOD OF NEGOTIATED INDEPENDENCE OR RE-PARTITION - GENERAL ASSESSMENT

The further course of events since July and ^{public and private} statements made by various parties to the Northern Ireland situation make possible a more up-to-date assessment of the possible development of the situation there and, in particular, of the likely degree of support for either negotiated independence or negotiated re-partition as a solution to the political problems of the North. All the evidence indicates that neither of these outcomes, as conceived in the Department of Foreign Affairs Memorandum, is likely to come about.

A scenario in which negotiations take place in the wake of large-scale inter-communal violence, possibly associated with a British withdrawal, on a repartition possibly also involving independence for the residual area of Northern Ireland is more plausible. This is a form of the de facto re-partition, considered in Discussion Paper No. 2 and we have taken it that this type of situation was not contemplated in the Government decision that detailed studies on negotiated re-partition and negotiated independence should be undertaken. We have interpreted this to mean a form of re-partition and/or independence agreed to by all parties involved. Neither of these forms of settlement would be preferred by any significant grouping of influence in relation to the Northern Ireland situation. However, some politicians among the loyalist parties are now considering independence as possibly the best solutions in the event of the failure of the proposed Constitutional Convention to agree on their preferred solutions or, indeed, on any solutions at all.

8. ATTITUDE OF NORTHERN IRELAND PEOPLE:

Before examining the attitudes of political parties in the North to the alternatives under consideration, it is worth referring to the results of two opinion polls conducted in Northern Ireland earlier this year, insofar as they may throw some light on how the Northern population as a whole viewed proposals for negotiated repartition or negotiated independence at the time the polls were held. The survey of N.O.P. Market Research Limited commissioned by BBC Television (Ulster) and which was conducted in April last showed that only 7 per cent of the electorate accepted an independent Northern Ireland outside the U.K. 77 per cent said that such a settlement would not be acceptable. It should be stated however that the proposal was put on the basis of no financial support from the U.K. The question was one of a number of alternatives put in the survey and each respondent was also asked which alternative he found most acceptable. Only 2 per cent opted for the independence proposal as the best alternative. The I.T.N. survey carried out by the Opinion Research Centre in June, 1974, showed that overall only 20 per cent (32 per cent of Catholics and 14 per cent of Protestants) were in favour of independence for Northern Ireland by arrangement with Westminster.

SDLP attitudes and assessment of likely evolution

9. The Memorandum for the Government, entitled "Northern Ireland Situation", dated 3rd September, 1974, submitted by the Taoiseach prior to the talks with British leaders on 11th-12th September, 1974, outlined some further developments up to the date of its submission. These related mainly to the SDLP's assessment of the likely future course of events and the attitude it proposed to adopt in the face of the expected evolution of the situation, as outlined at a meeting with members of the Government on 20th August last and at a briefing given to an officer of the Department of Foreign Affairs at an SDLP Conference at Bunbeg, Co. Donegal, on 24th-25th August. Among the main points which emerged were:-

- (1) their anticipation that British withdrawal could follow on the elections to the Constitutional Convention - at which the Loyalist groups would, on present form, win a large majority of the seats. They would not yield on power sharing, with an Irish dimension, which the SDLP hold must be expressed in some institutional form. (The SDLP have expressed no clear view as to what sort of institution they would accept for this purpose.) The Loyalists would perhaps not yield on power sharing at all. This could, the SDLP felt, be the occasion for the British (having used their best efforts) to withdraw - on an agreed basis or otherwise, perhaps leaving some form of administration dominated by "a democratically elected" majority in the North;
- (2) in these circumstances, the SDLP felt that their strategy should be devoted to attempts at splitting the Unionist monolith - so that extremists do not win too high a proportion of the seats at the Constitutional Convention. One way of achieving this might be to get the British Government to spell out the consequences of withdrawal from Northern Ireland or of a unilateral declaration of independence (UDI). The whole attempt at splitting Unionists was perhaps a futile exercise and the SDLP were considering whether they should fight a Convention Election at all. They could be on to "a hiding for nothing";
- (3) there was no question of the SDLP doing a deal on UDI;
- (4) if the Loyalists rejected the two principles of power-sharing and the Irish dimension, Britain must choose between them and the friendship of the majority on this island; it was expected that the British would choose the latter and jointly with the Irish Army, confront the Loyalists with a view to the early establishment of a united Ireland;

- (5) while it was party policy to reject repartition, there was some disagreement within the party as to whether the outcome of such a confrontation would be repartition (on the line of the Bann and with South Armagh and South Down included in the Republic) or a united Ireland. Some Assemblymen from West of the Bann saw repartition as possible and unlikely to give rise to serious problems where the Catholic minority within the residual Northern Ireland State would be reduced to approximately 15% of the population, assuming there would be a West Berlin-type solution for West Belfast.

The report of the briefing given at Bunbeg is attached as Appendix I.

10. The Taoiseach's Memorandum of 3rd September, 1974, suggested that this report had to be read in the light of our knowledge of the way in which SDLP attitudes had been expressed in similar circumstances in the past. It went on

"There is no reason to believe that the SDLP are departing from their basic policy of power sharing in Northern Ireland and an Irish dimension. The tone of the Bunbeg seminar may be due in part to an election atmosphere but more particularly to the position in which the Party now find themselves in negotiating with Loyalists who have adopted an attitude of extreme intransigence. Views as expressed at the briefing in Bunbeg may in this sense go much beyond what the Party would contemplate in other circumstances."

11. However, the SDLP's manifesto for the recent Westminster election, set out the implications of loyalist intransigence and, in particular, indicated that it would mean that the unionists would have forfeited the right to the British guarantees enshrined in the Government of Ireland Act, 1920, the Ireland Act, 1949 and the Northern Ireland Constitution Act, 1973 and that these would have to be withdrawn. It went on, as follows:-

"If this new situation should develop, therefore, we shall call on the British Government to declare a new basis to its policy and to declare that it will remain in Northern Ireland only until such time as agreed institutions of Government are established which allow the people of Ireland, North and South, to live together in harmony, peace and independence. The British Government should make it clear at that stage that it will use all its influence and power to bring about a situation in which Irish people of different traditions can build institutions of Government to provide for the lasting peace and stability on this island and for new and harmonious relations with Britain itself. It

should seek the full co-operation of the Government and Parliament of the Republic of Ireland and the people of Northern Ireland in achieving these objectives and should set in train the political and constitutional steps required to bring them about. Implicit in such a policy would be the ruling out of indefinite direct rule, an independent Northern Ireland, integration with Great Britain or a new partition of Northern Ireland. For our part, we should insist that any new institutions must respect and protect the different traditions in this island. Our ability to insist on this will be proportionate to the strength of the mandate which we receive at this election."

12. In the wake of the loyalist advances in the recent Westminster election and what it sees as the continuing drift in British policy, the SDLP now feels more strongly than ever that the British are intent on a complete withdrawal from the North. They also consider that the British Government will not confront the loyalists either politically or militarily. Party leaders continue to adopt a very negative attitude towards an independent Northern Ireland. They have little faith in any potential guarantors of the rights of the minority community within such a State.

13. LOYALIST ATTITUDES:

Official loyalist policy has not favoured either negotiated independence or repartition for some time. The policy document of the UUUC which was agreed at their conference in April of this year supported the maintenance of the union with Britain on the basis of Ulster citizens having the right to the same standards of democracy and parliamentary Government as obtains in Britain. For the UUUC this involved full representation at Westminster (at least 22 seats) and a regional legislature and administration. In referring to the Kilbrandon devolution proposals (see paragraph 32) - the policy document stated that while Ulster should play a full part in the discussion on these proposals devolution itself would not be appropriate. The UUUC would opt for a British federal system on the basis that it would maintain the union and ensure the democratic rights of the entire Ulster people. The official attitudes of the constituent parties of the UUUC, as set out earlier this year, were, in general, to endorse the views of the parent organisation. For example, the Ulster Unionist Party

aid that it sought to ensure that Northern Ireland was maintained as an integral part of the UK with increased representation at Westminster and constitutional safeguards of a federal or a similar character.

14. The UUUC manifesto for the recent Westminster election moved somewhat from this position but not in the direction of negotiated independence or re-partition. It stated that the UUUC was "totally committed to maintaining and strengthening Northern Ireland's union with Great Britain within the United Kingdom".

It said the loyalists would have to ensure that nobody reversed the decision by vote of the people of Ulster to stay British by any of a number of means, including "trying to manoeuvre (us) into isolation".

15. However, possibly under the influence of Mr. Enoch Powell, the manifesto moved away from the proposal for a federated United Kingdom towards an insistence that Northern Ireland would have the same pattern of Government as Wales and Scotland. In a radio interview, Mr. Powell said this was his interpretation of the manifesto, even to the extreme that if Scotland and Wales did not, in the event, obtain any regional Government or assemblies, Northern Ireland should not have such institutions either. The manifesto actually said "Ulster needs a regional legislature and administration and we would insist that this should conform with British parliamentary standards and practice" and "In the event of reconsideration of the United Kingdom Constitution, Ulster must play a full part in that process". It is by no means certain that his Northern Ireland colleagues agreed with this view of Mr. Powell's or that, even if they did at the time of the election campaign, they would be prepared to maintain that position.

16. The official attitude of the main Protestant para-military organisations as enunciated at their conference last June was basically the same as that of the UUUC parties i.e. support for

the maintenance of the Union and the regional legislature and administration.

17. In the past, the Vanguard leader, Mr. Craig, has advocated a form of UDI and Mr. Harry West has spoken in favour of ceding areas such as Derry to the Republic. For a time, when confronted with the policy of the Heath Government, there was a considerable amount of discussion on an independent Northern Ireland. The move away from this option over the past six months was largely attributable to the gradual increase in confidence among the loyalists since the February, 1974, Westminster election and especially since the UWC strike and the collapse of the Northern Ireland Executive. Even before the recent Westminster election, the loyalists were confident that they would succeed in securing their demands from any British Government. In this assessment, they were relying on the moral authority which the majority they expected to get in the Convention elections would give them and also on the reluctance of the British to become involved in a confrontation with the Protestant majority, with their ability to control the Northern Ireland economy and with their para-military strength, at a time when Britain is facing grave economic difficulties but rather to find a settlement which would satisfy the Protestants and enable the British to reduce their commitment of troops and the costs involved in the IRA campaign by giving the regional executive a greater role in security.
18. The possibility always existed, and continues to exist, that if the loyalist politicians were to come to the conclusion or to find in practice that their confidence had been misplaced and that the British Government and Parliament were not prepared to meet their wishes they might turn to negotiated independence, as a second best settlement. Thus, a vital factor, in assessing how likely is negotiated independence with loyalist acceptance is an assessment of the likely policy of

the British Government. This is considered further in paragraphs 26-53.

19. The most consistent advocate of negotiated independence in the past has been Mr. John Taylor, the former Stormont Minister and Assembly Member for Fermanagh/South Tyrone. In proposals published in the Belfast News letter last April he envisaged the negotiating process as involving the Catholic community in the first instance and then the British Government. Other features of his proposals were:-

- guarantees of civil rights for the minority,
- guarantees of security for the majority,
- Ulster to remain in the EEC and the Commonwealth as long as Britain continues its membership of these organisations.

In Mr. Taylor's view, such a settlement would be welcomed by Britain who would support it financially. He considered that the Dublin Government would also support it as long as "Ulster" appreciated that it was part of the same island. This would facilitate co-operation between North and South once the internal affairs of each area were not interfered with. The ending of British sovereignty would, in Mr. Taylor's view, bring about a major decline if not the cessation of IRA violence.

20. Very recent contacts indicate that Mr. Taylor adheres broadly to these views. He thinks it probable that the Convention will collapse. He considers creation of an independent State as the only solution which might, in the long run, lead to peace and stability in the province. He thinks that if the loyalists were to give up their aspirations to be British and the minority theirs to be Irish, a genuine "Ulster" allegiance could be won from both sides. He envisages guarantees for both the minority and the majority communities and the stationing of a United Nations force in the North to ensure respect of these guarantees and security for both sections of the community -

the Catholics against a Protestant coup and the Protestants against invasion from the South.

21. Recent contacts also indicate that some other loyalist leaders are coming round to contemplate negotiated independence as a solution which, in the event of what they see as the probable failure of the Constitutional Convention to agree on any recommendations for a settlement, would be the form of solution with the best hope of bringing about an end to violence. Mr. John Laird has expressed this view. He thinks that the loyalists would be prepared to give "a fair deal" to the minority if the latter were prepared to identify themselves as Ulstermen. He even went so far as to say that the UUUC were seriously considering power-sharing and would talk to the SDLP if the latter party were to drop "the Irish dimension". He envisages that an independent Northern Ireland might be financially supported for a certain period by the Irish and British Governments.

The deputy leader of the Vanguard Party, Mr. Ernest Baird also made a statement recently which seemed to indicate that he would be opposed to a continuation of direct rule in the event of the Convention failing to agree on a solution involving regional Government. He said "it is time Ulstermen took over the Government of their own affairs from this locust-plague of Englishmen. The display of their talent for mis-governing Ulster has been convincing. Already they have over-stayed their welcome as uninvited guests." He claimed "that under direct rule by Westminster Ulster had become the worst-governed country in the civilised world"

22. ATTITUDES OF OTHER PARTIES IN NORTHERN IRELAND

The remaining parties in Northern Ireland have less influence than ever. However, for what it is worth, it can be said that none of them favours negotiated independence or repartition.

The Unionist Party of Northern Ireland (i.e. the Faulkner Unionists) rejects any form of Ulster nationalism and bases its policy on union with Britain with strong regional Government for Northern Ireland.

23. The Alliance Party's manifesto for the recent Westminster election pointed out that any "solution" to the Northern problem which was unjust and unacceptable to both communities ^{would} automatically mean Northern Ireland's expulsion from the United Kingdom. It also stated that an independent North would inevitably bring about mass movements of population, great hatred and an indefensible border and would only guarantee further violence for generations to come. More recently, Mr. Napier, the party leader has attacked loyalists politicians' claims that an independent Northern Ireland could be economically viable. He has stated that such a State would have a much lower standard of living than that of the North at present and that it is virtually inevitable that it would comprise three or four, rather than six counties.

24. ATTITUDE OF OPPOSITION

The attitude of the Opposition to repartition and independence for Northern Ireland is apparent from the following quotations from statements made by the Leader of the Opposition on a radio interview on the RTE programme, "This Week" on Sunday, 30th June, 1974,

"Integration, by that you mean the incomplete integration of the North of Ireland territory into Britain and under British Westminster control, I believe that would be completely unacceptable and would be a very unwise course even to contemplate. Repartition equally I think would be completely unacceptable and I don't think it is possible in any event, as one of the Northern Ireland politicians said recently you just can't transpose people ^{who} all their lives lived in Belfast into another part of the Six County area just because they don't agree politically with the majority in that particular area, I don't think that's either feasible, practicable or desirable in any way."

"I think a UDI situation is impossible. We all know that if British resources are withdrawn from the North of Ireland, I believe that the people who favour the link with Britain would realise the impossibility of their situation if there was no link with Britain because remember, even though we are not certain now that Britain will remain in the common market my anticipation is that they will, but

46. This solution has been canvassed by Mr. Tom Hadden, lecturer in law at Queen's University, Belfast, and editor of Fortune magazine and by Dr. John Simpson, lecturer in economics in Queen's University. So far as is known, it has not attracted any political support, as yet. So far as is known this idea was first put forward publicly in the June 1974 issue of Fortune. The following is an extract from the issue's editorial:-

"The strike has not changed anything very much in Ulster. But it has made a number of things a good deal clearer. The first is that no relatively painless solution to the Northern Ireland problem can be found by playing on the Irish dimension. Ulstermen, which for this purpose means Protestant Ulstermen, are not Irish in the same sense as other (Catholic) Ulstermen. Attempts to make them so by political and economic pressures are more likely to have the effect of making them feel even less Irish. For a long time the Ulster Protestants asserted their unIrishness by saying loudly to themselves and the world at large that they were British. Now that is clearly no longer the case they are falling back on the assertion of a kind of Ulster nationalism.

The implication of this is that they should be permitted to rule themselves. The danger is that they will seek to revert to a one party state in which justice and participation is continually denied to the Catholic minority. But this need not be so. The British government still wields enough influence, if only through the purse strings, to assist in the creation of a new constitution in which the rights of the minority are fairly guaranteed through entrenched constitutional provisions, proportional representation and a Bill of Rights on the American rather than the British model. There are also strong arguments against attempting to build in a formal requirement of intercommunal power-sharing, as opposed to dynamic power-sharing in a coalition situation. This new constitution should be battled out in a constituent assembly in the autumn, when everyone has had time to cool off a little."

47. In a further article in the same issue it was explained that the arrangement envisaged would fall short of independence but would promise a greater degree of freedom of action than is envisaged for Scotland or Wales and might mean the ending of "Ulster" representation at Westminster. "Ulster" on these terms would still be British, but only in the sense that Malta or Gibraltar or the Channel Isles are British. The ties of history and sentiment and loyalty to the Crown, such as they are, would remain but the relationship between Britain and "Ulster" would be one of direct negotiation rather than devolution under which the ultimate responsibility remained at Westminster.

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The article suggested that the survival of such an entity would be dependent on satisfactory answers being found to the short-term security problem, the position of the Catholic minority, and the financing of the new statelet. On security, it suggested that the British involvement in the whole operation would necessarily imply a degree of continuing Army presence until stability was attained, though with a phased handing over of control to local security forces. It considered that the other two requirements would require more detailed negotiation.

49. On the position of the minority, the article went on as follows:-

"Continued insistence by the representatives of the minority on progress towards unification would rule out any chance of success for a new Ulster state without substantial movement of population. This is the real meaning of the slogan 'no power-sharing with republicans'. It does not follow that some accord on methods of involving the minority in government cannot be reached. The initial temptation in matters of this kind is to write a degree of formal power-sharing into the constitution as in the 1973 Act. The objection to this is that it has not worked - either here, to date, or in other countries like Cyprus. The aim should rather be to draft a constitution which leads to power sharing by its own internal dynamic. The first requisite for this is a guarantee of proportional representation, linked to entrenched articles in the constitution which cannot be altered without a two-thirds or three-quarters majority. In the Ulster situation, where the Protestant vote has rarely been solid except in times of 'national' emergency, this should ensure periods in office on a coalition basis to any progressive Catholic party. Whether this will be enough for the SDLP remains to be seen. Initially it might be possible to reach tacit agreement on a 'constitutional convention' which would ensure full Catholic participation on all official bodies, and at least an initial period in a coalition government. Holland, Belgium and Switzerland have all developed along these lines, from similar conditions of national and religious strife.

The second essential element would be agreement on an entrenched Bill of Rights, which would cover not only normal but also emergency conditions. It seems likely with almost equal distaste on either side for internment that agreement could be reached on this without too much difficulty."

50. The article and other articles in subsequent issues of Fortnight have made the case that an autonomous Northern Ireland would be economically viable and not very much less prosperous than at present. The main features of this case are considered in paragraphs 64-69 below. The case was made on the basis that the "autonomous Ulster" would remain within the EEC with Britain and Ireland. It seems to be envisaged that associated with the link with Britain would be a continuing grant-in-aid or, at the very least, "a launching subsidy."

then not only would they be isolated from Britain but they would be isolated from us and from Britain in the context of the common market and I don't think the Northern Ireland state would be then a viable economic unit."

25. ATTITUDES OF IRISH AND BRITISH GOVERNMENTS

The stated attitude of the Irish and British Government, as set out in the communiqué issued following the talks in London on 11th September - which, of course, was confirmed in the communiqué issued following the talks on 1st November - is that peace and stability should be restored on a basis commanding widespread acceptance within the community there; that this objective can be achieved only if both sections of the community in Northern Ireland share power in Government and that any enduring political arrangements must take account of the special relationship which exists between the two parts of Ireland which is to be the subject of further consultations between the two Governments and also with elected representatives in Northern Ireland.

26. Despite recent British assurances serious account must be taken of the possibility that the British may either withdraw from Northern Ireland or concede the loyalist demands, perhaps disguised in some face-saving compromise formula. The latest assessment of the possibility of withdrawal, included in the brief for the London talks on 11th September, attached as Appendix / , remains largely valid, so far as it went. Attention is drawn, in particular, to Mr. John Hume's statement, at the meeting between Ministers and the SDLP on 20th August, that he had gained the impression from the SDLP's (at that time) recent conversations with Mr. Heath that Mr. Heath personally believed that the Labour Government wished to withdraw from Northern Ireland; and that Mr. Heath had stated that Labour had what he described as a neurosis about the 12 Northern Ireland seats in the House of Commons.

27. The results of the recent British election have a number of implications for British policy in relation to Northern Ireland, some of them contradictory. Firstly, the achievement of the UUUC in raising its percentage of the votes cast from 51% to over 58% greatly strengthens them in their stand against the main elements in British policy. The result must lead the British Government to have very serious doubts about the prospects of putting together another power-sharing coalition made up of parties other than the UUUC parties. Thus, although recent talks with British Ministers indicate that they intend to persist in holding the election for the Convention, probably around mid-March, 1975, it is clear that they are not optimistic that the Convention will produce acceptable results. It has been variously estimated that if the Convention elections were held now, the loyalists would secure 45-48 out of the total of 78 seats. Assuming, as seems virtually certain, that the Convention will not come up with recommendations immediately acceptable to the British Government and Parliament, the British Government would have to decide anew on further policy.

28. The formal options which would be open under the Northern Ireland Act, 1974, would be:-

- (1) allowing dissolution of the Convention as provided for in the Act, unless it is expressly postponed;
- (2) postponement of dissolution for periods of three months;
- (3) the holding of new elections to the Assembly under the terms of the Constitution Act, 1973, which still remains in force;
- (4) a new departure in policy.

Option (1), if adopted, could lead to an indefinite period of direct rule or on to option (4). In the light of the likely results of the Convention elections, options (2) and (3) which are designed to buy time until a satisfactory course of development emerges, would seem to be futile.

29. Other features of the recent election results, not directly related to Northern Ireland, are also pertinent in assessing what the British would do in this situation. Firstly, the change from a situation in which the Labour Government did not command an overall majority in the House of Commons could be judged to make Mr. Wilson less susceptible to British public opinion. On the other hand, the narrowness of this majority (and the alleged neurosis about the Ulster seats) might lead him towards a solution involving loss of Northern Ireland representation in the House of Commons and will certainly lead him to reject any increase in representation from the area.
30. The loss of seats on the part of the Conservatives could incline them towards a working arrangement with the UUUC group. The election of Mr. Enoch Powell is an obstacle here but if Mr. Heath were to be replaced as party leader at some time in the next few months by somebody other than Mr. Whitelaw, an arrangement might become less difficult. This could well involve some move away from insistence on power-sharing in Government and the Irish dimension. The Conservative Party manifesto left considerable room for manoeuvre here.
31. The gains made by the Scottish National Party and Plaid Cymru, the commitments in respect of devolution in the pre-election White Paper on this subject, the narrowness of Mr. Wilson's majority and the support of the Scottish Conservative Party, announced since the election, for an elected Scottish assembly will hasten legislation to provide for devolution of Government for Scotland and Wales. A Ministerial team led by Mr. Edward Short has been appointed, to deal with devolution and legislation has been promised for the next session of Parliament.
32. The White Paper was issued at the conclusion of a process of debate and consultation initiated by publication of the Report of the Royal Commission on the Constitution, (the Kilbrandon Report) It proposed directly elected assemblies for Wales and Scotland. The

assemblies would have considerable powers. They would assume some of the executive functions of the Scottish and Welsh Offices, and the nominated authorities now operating within their boundaries. Having regard to previous proposals of the Labour Party's Home Affairs Committee these will probably cover housing, education, health, economic and environment planning. The Committee's document had stated that as well as administrative powers, the Scottish assembly would have legislative powers in these areas. The Welsh assembly would have slightly less power - "a wide area of decision making within a broad framework of central Government legislation". The possibility of similar assemblies for England was suggested.

33. The White Paper proposed that there should be a block financial allocation to Scotland and to Wales, instead of the present method of Westminster allocation of funds for each separate field of expenditure, thus leaving it to the assemblies to make up their minds on how to spend the money. The allocation would be under arrangements which would take account of both local needs and the desirability of some uniformity of standards in services and of contributions in all parts of the U.K. Wales and Scotland would keep their full representation at Westminster and would continue to have Secretaries of State arguing their case in the Cabinet. Proportional representation is rejected in favour of the present Westminster electoral system. The White Paper also rejected federalism as a solution to the problem of giving people a greater say in decisions affecting them.
34. The following extract from the White Paper is the sole reference in it to Northern Ireland.

"Northern Ireland comes into a different category from Scotland and Wales because of the facts of its history and geography and the presence of two communities in the province. The Government have already published their proposals for Northern Ireland in a White Paper "The Northern Ireland Constitution" (Cmnd 5675) based on elections to a Consultative Convention which will enable elected representative of the people of Northern Ireland is likely to command the most widespread acceptance throughout the community. Final decisions on these proposals will be taken by Parliament".
*to consider what provision for the Government of Northern Ireland.

35. The proposals for Scotland and Wales put strong arguments in the hands of the UUUC parties in pressing their demands on the British Government. In different circumstances, Mr. Wilson might have been glad to seize on the moves towards devolution as a way towards a "settlement" that would satisfy the unionists in Northern Ireland and the Conservative Party could well move towards a policy of giving Northern Ireland devolved Government similar to that given to Scotland or Wales but with guarantees for the minority, possibly including such things as a Bill of Rights, an entrenched position in the Northern Ireland Assembly and a blocking veto on certain classes of legislation. In any move towards a policy of full integration on this basis, the party could refer for support to some other results of the opinion polls to which reference was made in paragraph 8 above. The survey done for BBC showed that total integration of Northern Ireland and the U.K. was, with 66% support, the most frequently preferred to the alternatives put to those questioned. In the ITN poll 73% overall, including 83% of Protestants and 52% of Catholics expressed themselves as being in favour of total integration with Government from Westminster.

36. However, in a situation where the Labour Government in Britain has just moved from being a minority Government to having an overall majority of three, it can be stated with certainty that Mr. Wilson would reject any form of devolution (or federal) arrangements for the North which would involve an increase of 6-10 in Northern Ireland's representation in the House of Commons. It would be difficult to defend a situation in which, under arrangements for its government similar to those for Scotland and Wales, Northern Ireland did not secure increased representation once Scotland, at least, and perhaps Wales had legislative assemblies, without any reduction in their Westminster representation. For this reason, and given that the British Government would not wish, in current circumstances, to provoke a deterioration in Anglo-Irish relations, it seems probable that this variant of full integration into the United Kingdom will not be pursued by the British Government. The consistent attitude of the British Government which was confirmed at the talks on 1st November, indicates that it would also be firmly opposed

to any other form of full integration.

37. This would bring it back to a choice between continuation of direct rule, negotiated repartition, negotiated independence with a ^{acceptance of any} British withdrawal, UDI followed by a British withdrawal, a British withdrawal without any provision for the future Government of Northern Ireland and the solution of an autonomous Northern Ireland, associated with the United Kingdom, in some way similar to the arrangements for the Isle of Man and the Channel Islands.
38. The likelihood of a British withdrawal was considered in Part II of the Unit's Discussion Paper No. 2, "British Withdrawal from Northern Ireland". Further developments since that paper was completed provide further grounds for speculation on this issue but scarcely offer a basis for coming to a definite view on the matter. The SDLP's interpretation that the British intend to withdraw has been set out in paragraphs 9, 12 and 26 above. This view now seems to be rather widely shared among some loyalist politicians and among non-political community workers in the North.
39. One view is that it must be clear to Mr. Wilson that the Convention is unlikely to be successful and that, by insisting on power sharing and an Irish dimension he is trying to engineer an honourable exit. In this view, maximum publicity would be given to the election and to the first meeting of the Convention so that there would be a sense of let-down throughout Britain and internationally when it failed. Then, after six months, the Convention would be reconvened only to fail again, leaving the British to announce their intention to withdraw on the basis that they had used their best endeavours to secure an settlement within the United Kingdom framework.
40. Among other factors, in addition to those considered in Discussion Paper No. 2, which would tend to support the view that the British Government will favour some solution involving withdrawal rather than persist with direct rule are:-

- (1) the likelihood that failure of the Convention would

increase support for withdrawal among British M.P.s;

- (2) the spread of bombing attacks to Britain. While some of these have been claimed by groups other than the IRA, most or all of them seem to be linked with British involvement in Northern Ireland and they are certainly seen as such by the British public;
- (3) the greater public consciousness in Britain of current and prospective economic difficulties following the General Election campaign and subsequent statements by Government spokesmen, and the likelihood that, against this background, the subsidies to Northern Ireland will become subject to increasing criticism;
- (4) the increased polarisation of the community in the North, with the reurgence of sectarian assassinations. This may be taken in Britain as evidence of the intractability of the problem;
- (5) the continuing high level of IRA activity and the renewed loss of life among British troops, a process which can only be seen as likely to continue if direct rule is extended. The effects on British Army recruiting may lead British Army chiefs to favour withdrawal.

41. Against these must be set the arguments against withdrawal from the British point of view set out in Discussion Paper No. 2. These relate to the possibility of adverse reaction in the international community, the measure of concern likely to be felt, in certain circumstances by Britain's NATO partners, the potential loss of trade to Britain in the event of serious civil disturbances in Ireland, the effects on the unity of the United Kingdom, and the possibility of violence spilling over into Britain to a greater degree than hitherto. These last two factors were emphasised by Mr. William Whitelaw in a recent speech cautioning against withdrawal.
42. It is not possible to offer a firmly based opinion as to the likelihood of the British Government favouring a solution involving a British withdrawal. However, it is scarcely going too far to say that this is now a more likely possibility than it was when Discussion Paper No. 2 was completed. A form of phased withdrawal, within a relatively short period related to the progress of negotiations, could fit in with agreement to negotiated independence - which would probably be left to others to propose initially.

43. An abrupt withdrawal, without any provision for the future Government of Northern Ireland is unlikely for reasons set out in Discussion Paper No. 2 (paragraphs 2.7-2.8). It also seems unlikely that there will be any attempt at UDI by militant loyalists. This is because they are confident that they will secure a satisfactory settlement without the need for such action which would almost certainly involve the withdrawal of British financial support, the importance of which may now be more widely accepted among loyalists.
44. It is unlikely that the British Government would favour a form of negotiated repartition in which the area not ceded to the Republic would remain part of the United Kingdom under direct rule or devolved government. It seems likely that such an area, if it included Belfast, would contain the seeds of further violence unless there was a large population movement which seems unlikely to take place voluntarily. However, it is worth noting that such an area would probably be entitled to parliamentary representation no greater than that which Northern Ireland has at present, and that its fair entitlement might be less. This could modify Mr. Wilson's opposition to such a solution but, as stated above, we consider that, on balance, it is unlikely to be favoured.
45. This narrows the options likely to be acceptable to the British - apart from the apparently unlikely re-establishment of a power-sharing executive - to continued direct rule, negotiated independence for the full six county area or a smaller area, - or the autonomous Northern Ireland referred to in paragraph 37 above.

51. This solution could have a number of attractions for the British Government. The ending of Northern Ireland representation at Westminster would be one. Another might be the retention of the area within NATO. The solution's promoters also see it as avoiding the encouragement to the break-up of the U.K. which an ending of the area's links with Britain could have. As they have not spelled out the degree of economic independence envisaged for an autonomous statelet, it is difficult to judge whether this judgement is well-founded but it can be accepted, at least, that this solution would not be so potentially dangerous in this respect as an independent Northern Ireland or a "unilateral" British withdrawal. A further possible attraction of the solution is the assumed reduction in any financial support for the area.
52. This would depend, however, on whether the solution would bring about peace and permit a substantial reduction in the British Army's presence. The solution's acceptability to the SDLP is dubious, although it might be seen ^{as} objectively preferable in involving a continued British Army presence in barracks where they could be used to counteract any loyalist attempt to subvert the area's new constitution. On the other hand, any continued British presence, other than as a purely transitional feature, would presumably be unacceptable to the Provisional IRA, so that violence would probably continue. Other features of the Constitutional arrangements for the Channel Islands and the Isle of Man, including the appointment of Lieutenant Governors ^{the} by British crown, the fact that legislative measures passed by their assemblies depend for their validity on Orders of the Queen in (the Privy) Council and the responsibility of the U.K. Government for international relations and defence, would also be unacceptable to the Provisional IRA. If this were so, the SDLP would find it difficult to go along with this approach. In this situation, and with continuing violence any advantage to the British would probably be outweighed by a continued high level of Army involvement and by the almost certain breakdown of the constitutional arrangements.
53. Our conclusion, on the basis of the foregoing analysis is, then, that if the proposed Constitutional Convention fails, either at an initial or at a second session, to agree on recommendations that would command widespread acceptance in both parts of the Northern community, and if, as now seems ^{more} likely than in last July the British Government would not favour an extension of direct rule for a further indeterminate period, they may well be attracted to negotiated independence either for the whole six county area or for a repartitioned area, as a solution, even though they might leave it to others to propose it. Such a solution, if it were successfully negotiated, might

lead to an IRA ceasefire, initially. However, we strongly doubt whether such a solution could be successfully negotiated, as the SDLP and nationalists generally would probably oppose it. Acceptance on their part just might be forthcoming if the Government here were explicitly to declare its acceptance and its intention not to give any support of any kind to resistance to this solution. However, a declaration of this kind might offer an irresistible temptation to loyalists to overthrow any guarantees to the minority incorporated in the solution. This would lead to a resumption of violence (that is, if it ever stopped at all). The solution would thus be unstable.

54. Thus, negotiated independence or re-partition seem^{un}likely to come about in the sense contemplated in the Department of Foreign Affairs Memorandum for the Government of 15th July, 1974, i.e. with the full consent of all parties involved or, even if ^{they} did initially, to be stable. However, despite this we have examined the legal and constitutional, political, financial and economic aspects of such a settlement. We have also examined the possible border, costs and economic effects of a negotiated re-partition.

Negotiated independence - legal and constitutional aspects.

55. Paragraphs 56 - 59 following contain a statement on international practice in relation to the recognition of states and governments, prepared by the Department of Foreign Affairs.
56. There are different schools of thought as to whether as a matter of law an entity purporting to be a state acquires that status irrespective of whether it is recognised as a state by other states. An offshoot of this question is whether existing states have a duty to recognise another entity which possesses all the other attributes of statehood. However, practice does not conform with the theories and, regardless of them, recognition of a new state is normally accorded or withheld for political rather than legal reasons. Likewise in practice an entity is unable to act effectively externally as a state in the absence of recognition from at least some other states; conversely an entity recognised as a state by those states with which it is interested in having relations is relatively unconcerned if other states do not recognise it.
57. However recognition should not be accorded to an entity unless and until it is internally organised in such a way as to be competent to perform an international act. This is put more specifically that recognition may

only be accorded to an entity which possesses the attributes of statehood i.e. an independent government exercising effective authority within a defined area, and which seems likely to maintain those attributes permanently.

58. Recognition may be accorded by formal declaration or by conduct clearly implying recognition e.g. entry into diplomatic relations, conclusion of a bilateral agreement. Our practice has normally been to avoid any formal announcement (there was an exception recently for Guinea Bissau) but to deal with recognition questions by Government decision alone, following which we act towards the state in a manner consistent with the decision.
59. Recognition of governments is a separate matter although the basic rules are the same, i.e. a government may not be recognised unless it is independent, exercises effective control over a defined area, and is likely to maintain its position. In common with many other states we avoid as far as possible any formal recognition of governments, and indeed recognition by us of a government is usually by implication from our behaviour. Where states formally announce recognition of governments this action is of course invariably for political rather than legal reasons.
60. We considered whether, and in what respect, the Government would be debarred from giving formal recognition to an independent State in Northern Ireland, having regard to the provisions of Articles 2 and 3 of the Constitution. The Office of the Attorney-General has advised that any positive move to insert something into our domestic law, recognising an independent Northern Ireland, would be so debarred. However, there is no need to make any such provision and as indicated above, it is not our practice to do so. (Material above may require amendment as it is based on informal advice and formal advice of Attorney General's Office is awaited.)

Negotiated independence - political aspects

61. (Material to be supplied by Department of Foreign Affairs on international political effects of our acting in a way that would imply de facto recognition of an independent Northern Ireland or of making a non-statutory declaration of such recognition.)
62. Formal or effective recognition of an independent Northern Ireland could evidently have domestic political effects of a significant character. This is a matter for political assessment.

Negotiated independence - financial and economic considerations

63. The examination of these considerations was undertaken on the basis - which, as already stated, we consider improbable - that an independent Northern Ireland would be established in a favourable political environment i.e. that the new political arrangements would be acceptable to both parts of the Northern community (and to the Republic) and in a situation in which violence ceased. It was also on the basis that the independent state would cover the full six county area - the situation in which it covered a smaller area is covered below in relation to negotiated re-partition.
64. The financial viability of an independent NI would depend on its surviving the withdrawal of the present UK Exchequer payments, which totalled £313m. in 1973/74, and on finding the money for new services required because of its independent status. Such survival would depend on a menu of tax increases, expenditure reductions, increased public borrowing and the introduction of a new financial element, namely a British "ex-colony" grant to the new State. There is some scope for trading off the various elements against each other but, on the whole," the following

/pattern

pattern is felt to be just about practicable. For reasons indicated in paragraph 4, any changes in the pattern would be unlikely to be significant. The menu would involve -

- (a) increasing tax revenue by about £65m;
- (b) reducing normal public expenditure by about £110m;
- (c) finding further economies to the extent of some £50m because of the cessation of the troubles (which are estimated to have cost about £60m in extra public expenditure in 1973/74 - on compensation, police, prisons and courts);
- (d) borrowing some £80m in addition to ongoing annual borrowing (which amounted to about £85m in 1973/74; and
- (e) providing for new services (mainly defence and postal and telecommunications), which might cost about £40m per annum, and the servicing of the new borrowing, by a British ex-colony grant of about £50m a year for a period of years.

65. The estimates in paragraph 2 are based on a favourable view of the various financial parameters, because

- (i) the £65m increase in taxation represents a 20% increase in volume terms on the £316m obtained in 1973/74, and it is postulated as about the maximum which could be levied without bringing about serious economic effects on top of those in 5(a) and (b) below;
- (ii) it is assumed that it would be politically and socially feasible to reduce public expenditure by about £110m, which represents a decrease of 12% in volume terms on the £828m figure for 1973/74;

/(iii)

- (iii) borrowing would account for 23% of NI's public income, which assumes that the new State would start with a good credit rating in international lending circles; and
- (iv) the figure of £40m for the cost of the new services might be somewhat on the low side.

66. If the public expenditure reductions at 2(b) above were not deemed tolerable, or if Britain was not willing to provide an ex-colony grant at least at the level indicated in 2(e), it would be necessary either to increase taxation - which would have damaging economic consequences - or to raise additional borrowing, which would not seem feasible to any significant extent. (If, on the other hand, Britain were to give a higher grant, the above financial problems would be diminished.)

67. The main conclusions reached about the economic prospects of an independent NI in the context of the above public financial changes are as follows:

- (a) There would be a drop in GDP and an increase in unemployment - possibly of the order of £170m (or one-eighth of the 1973/74 figure of £1,275m) and 70,000 (or 13% of the total working population) respectively.
- (b) There would be a high level of emigration for a few years - possibly of the order of 15,000 workers or 60,000 persons per annum - which would gradually reduce the level of unemployment.
- (c) Because of the lack of information on NI's present balance of payments, it is impossible to estimate how it would be affected by the above changes, but the withdrawal of the UK Exchequer payments would obviously have very adverse effects.

- (d) Continued EEC membership would be a vital necessity - given that Britain stays in.
- (e) It is impossible to forecast the effect on external and internal capital movements but continued or even increased external investment in NI would be of the outmost importance.
- (f) Unemployment would increase further because of the probable closure of Harland and Wolff.

68. It scarcely needs to be said that the financial and economic aspects of independence as set out above would involve a drastic reduction in standards of living and the level of public services, which could take years to overcome.

[Material to follow here on the financial and economic aspects of independence in Republic of Ireland and Northern Ireland]

Also need to refer to financial situation in Northern Ireland at the British Laming's survey which was made in 1967 and which showed that the cost of living was £50 m. - £55 m. per year to £50 m. over a period of 4 years.

Negotiated re-partition - general considerations

69. As previously stated, it is the view of the Unit that any re-partition is most likely to come about following a British withdrawal from Northern Ireland and in the wake of substantial inter-communal violence in Northern Ireland. It could be that a de facto re-partition on the basis of positions on the date of a ceasefire might subsequently be regularised and rationalised in negotiations. A quite different situation would be where negotiations took place, without any escalation of violence or even with a cessation of violence, to determine the extent of a residual area of Northern Ireland which might constitute an independent State or continue as a part of the United Kingdom, with the remaining area, in each case, being integrated into the Republic. As we understood it, it was on this latter situation which we were asked to report. However, in practice and particularly in the estimation of costs and economic effects, we have been led to consider also the first of the alternatives outlined above.
70. Such a situation would obviously involve many imponderables. The location of any ceasefire line would depend on the relative military strength and success of the contending parties rather than on the political aspirations of the inhabitants of the various areas. The question of involvement on the part of the Republic is relevant here. In any estimation of costs and economic effects, the extent of damage to property, especially productive assets, would loom large but would not be susceptible of prediction on any rational basis (it could include damage to property in the Republic). The extent of population movement would also depend greatly on the intensity of violence and the extent of loss of life. The normal reluctance of people and especially entire families and local communities to uproot themselves from their native environment would probably be outweighed by feelings of fear and bitterness and reluctance to live under the regime of a victorious opponent in a civil war situation. We have attempted to indicate the range of some of the costs that could arise in such a situation.
71. While a ceasefire line might initially reflect relative military success, it is likely that in any subsequent negotiations both sides would take into account the desirability of drawing a border in such a way that their own areas would be as secure as possible from attack from both outside and within. This would depend to a considerable degree on the extent to which a border respected the wishes of the majority of the inhabitants of different areas. In any practical realisation of this scenario, it might well be agreed that the wishes of the inhabitants of the different areas should be ascertained by a plebiscite. This would raise various, possibly contentious issues such as the appropriate units of area, whether a simple majority of those voting

in each area should be taken as indicative of the wishes of its inhabitants, the significance to be given to the wishes of majorities in contiguous areas and other issues faced by the Boundary Commission which reported in 1925. Other matters taken into account by that Commission such as drainage basins, economic links and hinterlands, the lines of railways, etc. would be of greatly reduced importance in an era of free trade and cross-border arrangements.

72. Whatever might be the wishes of the inhabitants of various areas, as they might be determined by a plebiscite, the Unit was compelled to work on existing data and on the general assumption that Catholics would wish their area to be joined with the Republic and Protestants would prefer whatever alternative was available. Our examination of the distribution of the two broad religious groups within the Northern Ireland population was conducted initially on the basis of the results of the 1971 Census of Population. The smallest units of area for which particulars of religious affiliations were available were Urban and Rural Districts and County and Municipal Boroughs. Table 1 and Map 1 in Appendix 2 show the available information.
73. The almost universal practice in defining frontiers between states is to have continuous lines enfolding solid areas without enclaves. There are some small exceptions. The difficulty of proceeding in this way in Northern Ireland, while respecting the wishes of majorities in the Census units of areas emerge clearly from Table 1 and Map 1 in Appendix 2. The main problems concern the large Catholic minority in Belfast and Lisburn Rural District (which includes some Belfast suburbs) and the various areas contiguous with the present border with the Republic which have Protestant majorities. Examples are Castlederg Rural District, Irvinestown Rural District, Enniskillen Urban and Rural Districts and Strabane Rural Districts. In general, the Catholic majority areas in Counties Tyrone and Derry are not contiguous^u to the present border.
74. At an early stage in the recent Cyprus conflict, proposals were put forward for a solution involving separate Greek and Turkish areas consisting of aggregations of cantonments i.e. small separate areas, including enclaves, with local Greek or Turkish majorities. Such an approach could overcome the problems referred to in the previous paragraph. However, having regard to the fears of the communities in the North, it would seem unlikely to command support, in view of its drawbacks from the security point of view. As compared with Cyprus, the Irish Army is very small while we are assuming the British to be withdrawing their army; moreover

there is no United Nations presence. Thus, the prospect of adequate guarantees is lacking.

75. For Belfast, it has been suggested that^a/solid Catholic bloc in the west of the city could be made the subject of what is termed a West Berlin-type situation. Here again, one is faced with the likely lack of confidence in any prospective guarantors. It also seems unlikely, on political, emotional or security grounds that the Protestant section of the Northern community would accept such an arrangement. In view of these factors and the inadequacy of relevant information on West Belfast, we have not examined this possibility in any detail.
76. For the present report, the approach adopted was to trace possible lines of re-partition which would define solid areas without enclaves. We identified what seemed likely to be the minimum area which might be integrated with the Republic and, also, a maximum area which would consist of the minimum area plus additional areas which would bring the frontier of an independent Northern Ireland more or less to the line of the Bann in the North and, very broadly, the M I motorway in the South. Despite the existence of areas with Protestant majorities contiguous to the present border, we proceeded by sweeping eastward from that line on the basis that the inclusion of a substantial Protestant minority in any area to be incorporated into the Republic would be offset by the inclusion of a substantial Catholic majority in the remaining area of Northern Ireland - this was, of course, before allowing for any population movement that might take place.
77. In this approach, the whole of an administrative unit (including in the case of some Rural Districts, any Urban Districts within their area) was assigned to one or other side of the postulated frontier. Two exceptions were made. In the case of Armagh Rural District, an area with a Protestant majority but which embraced within it, the majority Catholic areas of Keady and Armagh city (both Urban Districts), half of the total

population of the three units combined was assigned to each side of the frontier which has here been traced in an arbitrary manner on Map 2 in Appendix 2. Secondly, Coleraine Rural District is included in the maximum area to be joined to the Republic but the strongly Protestant units of Portstewart UD, Portrush UD and Coleraine Borough have been assigned to the residual Northern Ireland area.

78. Table 2 in Appendix 2 shows the administrative units included in the minimum area assumed to be annexed to the Republic, together with their Catholic and Protestant populations and the percentage each constitutes of the total population. Table 3 in the same Appendix shows corresponding information for the additional units of area assumed to ^{be} added to the minimum area to constitute the maximum area that might be incorporated into the Republic. Table 4 gives similar data for the units, assumed to constitute the minimum residual Northern Ireland area. Map 2 shows the three areas concerned and traces the assumed frontier lines.
79. The following is a summary of the assignment of units of area, with particulars of the population involved (as shown in the 1971 Census results)

<u>Minimum Area:</u>	Fermanagh	-	All
	Tyrone	-	Strabane RD and UD, Omagh RD and UD and Castlederg RD
	Derry	-	Derry Co Borough, Derry UD
	Armagh	-	Newry No 2 RD and half of the total population in the combined districts of Keady UD and Armagh UD and RD
	Down	-	Newry UD and No 1 RD, Warrenpoint, Kilkeel and Newcastle UD s and South Down RD
Total Population:	307,680		made up of 166,960 Catholics and 140,720 Protestants

Maximum Area:

This consists of the Minimum Area and the following districts in Derry, Tyrone and Armagh:

- Derry - Limavady UD and RD, Coleraine RD and Magherafelt RD
- Tyrone - Dungannon RD and UD, Cookstown RD and UD and Clogher RD
- Armagh - the remaining half of the population of the combined districts of Keady UD and Armagh UD and RD.

These additional districts had a total population of 162,569, made up of 66,387 Catholics and 96,182 Protestants. The total population of the maximum area in 1971 was therefore 472,249, made up of 233,347 Catholics and 236,902 Protestants.

Residual Area

The remaining area of NI consists of all Antrim, Belfast Co. Borough, most of Co. Down, north-east Co. Armagh and Coleraine MB, Portrush UD and Portstewart UD in Co. Derry. The area has a total population of 1,047,390, made up of 244,574 Catholics and 804,816 Protestants.

80. It can be seen from Table 2 in Appendix 2 that even the minimum area contains the following units of area with Protestant majorities - Strabane, Castlederg, Irvinestown and Enniskillen RD s and Enniskillen, Newcastle and Kilkeel UD s. The minimum area as a whole, however, had a Catholic majority of about 26,000 in 1971. With the exception of Downpatrick UD (which is embraced within East Down RD) all of the individual units of area included in the list of districts added to make up the maximum area had Protestant majorities and these districts combined had a Protestant majority of about 30,000. As a result, the maximum area had a Protestant majority of between 3,000-4,000.
81. It could be argued that as the maximum area contains so many districts with Protestant majorities which would be contiguous to a residual Northern Ireland, as it would be if, in fact, the maximum area were to be joined to the Republic, as assumed, it

would be more realistic to assume that the outcome of any negotiations would be a border further to the west. We attempted to draw, on a very crude basis, a line which would pay closer attention to the wishes of the religious majority in each individual unit of area considered. This might involve the exclusion from the maximum area of parts of each of the individual units included in the additional districts, except for East Down RD and Downpatrick UD. However, the result of the re-alignment examined would be to increase the Catholic minority in the ^{then}/residual area to over 286,000 as compared with a (reduced) Protestant minority of less than 170,000 in the ^{then}/maximum area. It will be noted that, on the original division assumed between maximum and residual areas, as set out in Appendix 2, the Catholic minority in the residual area would exceed the Protestant minority in the maximum area by about 7,500. It could be argued that, on the basis of this approximate equality, the division described in Appendix 2 is reasonable. We have taken this view and our examination of the financial and economic aspects of a re-partition has been conducted on this basis.

82. We have already stated our view that it is most likely that a negotiated re-partition settlement would be preceded by a de facto re-partition situation with considerable violence and population movement both within Northern Ireland and from NI into the Republic. This might greatly influence the actual negotiated settlement and would have significant effects on the costs involved e.g. because of property damage and the cost of caring for refugees for any lengthy period. On the other hand, it is of course possible to have a negotiated re-partition settlement which would be preceded by little or no violence. This could include a more orderly exchange of population over, say, a six-month period, with compensation being paid to the owners of private property prior to their departure and with a concerted attempt to limit or even eliminate the amount of time people might have to spend in 'transit camps'. Whether the settlement ^{were} / preceded by a de facto re-partition or not, however, it is obvious that there would be

a post-settlement stage of some years in which the main concerns would be the need to build extra houses and to provide jobs for the refugees and the transferred populations. Provision of adequate welfare benefits and retraining facilities would also be especially important in this stage.

(Material to be supplied by Department of Finance on costs (and economic consequences) of re-partition, to follow here)