

## NATIONAL ARCHIVES

### IRELAND



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CONFIDENTIAL

Meeting between the Taoiseach and British Prime  
Minister, Mrs. Thatcher, Dublin Castle, 8th  
December, 1980.

1. The meeting started at approximately 10.55 a.m. and lasted until 12.15 p.m., when the Taoiseach and Prime Minister joined the other Ministers in a plenary session. The preliminary meeting was attended also by Messrs. Alexander and Nally.
2. H-BLOCKS  
After some general remarks of welcome, the Taoiseach said in reply to a question from the Prime Minister that he had been pleased with the British Government's statement of 4th December on the H-Blocks situation. The Prime Minister said that under existing arrangements it would appear that the prisoners could have almost anything they wanted. The Taoiseach said that we were pressing hard that the statement should be taken up. The march on Saturday in Dublin must have been very disappointing for the Provos. An extremely large proportion of those present had been imported from the North. While this was satisfactory enough from our point of view we were extremely anxious that some solution should be brought forward since things could deteriorate seriously if one of the strikers died. Some face saving formula could, no doubt, be found.

The Prime Minister said that the document which had been brought out was a formula. It was an enormous advance for the prisoners to have their own clothes. Many people had said there just was no point in going on. There could be no more concessions to the prisoners. She would ensure that the statement which was really quite impressive would reach everyone. They had been delighted with John Hume's statement. If things went wrong there could be a terrible waste of lives. The fact was that now there just was nothing left to give.

The Taoiseach said that the Northern Ireland office seemed to him now to be the means through which communication should be advanced with the prisoners. The office must organise methods of talking to the prisoners to get them off the hunger strike. They could do this quietly and unobtrusively. He would suggest the use of the chaplains Fathers Toner and Murphy, and perhaps Father Faul, to be used as intermediaries. The Prime Minister said she was not sure if the prisoners had the authority, themselves, to come off the hunger strike. The Taoiseach said that the situation was confused. For this reason it was essential to go to the prisoners direct. Already the strike was having the wrong sort of effect. People in the Provos in Belfast who had been out of public favour were getting back into authority and into the news. They were arrogating power to themselves which had been draining away from them. Among the prisoners themselves, Hughes appeared to be one of the leaders. Contacts might be made through him. It was essential now that the effort be made.



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The Prime Minister said that everyone in Northern Ireland, Church leaders included, whatever their political views, had weighed in and the strikers must now be fully convinced of the futility of their action. The Taoiseach said that it was terribly important that they be got off the strike, in some way. There was little or no support in Northern Ireland or here for the strike but if there were deaths there could be a tremendous emotional impact. The Prime Minister wondered if intervention by the Northern Ireland Office would stiffen the resistance of their prisoners. The psychology of any intervention would be extremely important. The Taoiseach said that the best read of the situation must come from those who were in closest contact with it but in our view now, the best way forward was through the priests - not through any intermediary, even the Cardinal. The Prime Minister questioned whether the Taoiseach had in mind a visit by the priests alone or accompanied by another. The Taoiseach said that this would depend very much on the judgement of those who were in touch with the situation and might require different treatment for different prisoners. The Prisoners would be told now that there were 60,000 in the march in Dublin on Saturday. There must be someone who could get to them and tell them the truth of what was happening. There had been only 12,000 on the march. They must not continue to be fed with wrong information. He added that the fact that women had gone on the hunger strike made things worse. It could be that the full consequences of their action would hit them before it would hit the men. The Prime Minister said that she would like to consider the whole question later, in detail, with the Secretary of State. She didn't know that the "little people" in Northern Ireland were coming back into authority in the way the Taoiseach had mentioned.

The Taoiseach instanced a recent meeting in Belfast of which he had been given an account, which had been attended by relatives of the strikers whose function had, however, been taken over almost totally by provo. supporters. The relatives were mystified by what was going on while the platform was occupied by people who had not been heard of for years. The Prime Minister said that what was required was a means of getting over to the hunger strikers what is available - and what is not. Insofar as political status was concerned, this just was not on in the United Kingdom or anywhere else in the civilised world. If once it were conceded no one in the world would be safe.

## POLITICAL ISSUES:

On Northern Ireland generally, the Taoiseach said that if some movement could be shown now he would be confident that he could come out for a crusade to end violence - and be listened to. He would put his full personal prestige behind this crusade, and could muster considerable forces behind him. He could argue that political developments were being considered by the two Governments and that while this consideration was going on, violence should be ended to see if we could get anywhere through political argument and discussion. The Prime Minister said that the White Paper had been successful until they had got into the practical details of how Northern Ireland was



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governed. There were advisory bodies there now which worked very well. These were necessary because of the breadth of advice they were able to give and they could be relied on to carry on until we found something that does command widespread acceptance throughout the community in Northern Ireland. The Taoiseach said that what he had in mind was a conference of the two Governments next year, to review the totality of the relationship between the two countries. The Prime Minister said it was a bit soon to talk of a conference. She said that the four studies on cross-border co-operation and security were working well. We must work on co-operation on practical things like the inter-connector, tourism, the Wales/Wexford link, roads, etc. In her view it was a little soon yet to start talking about a conference. The Taoiseach said that he could not see the border studies getting us anywhere. We needed Government to Government contacts. The nationalists in Northern Ireland related to Dublin. The loyalists related to London. Between Dublin and London, if they came together, there was a possibility that something could be created to which both could relate. He suggested that joint studies be commissioned as a basis for a future meeting. The Prime Minister said she would like to try to give the studies a practical format. She added "I think we need to look at joint studies" and appeared to agree with the Taoiseach's proposition. What she had in mind was practical ways of achieving closer co-operation between Ireland and the U.K., and particularly in relation to cross-border matters. The Taoiseach said that he would be glad if she would have a personal input into the studies which, he had heard, were not being pushed as much as they might, on the Northern side. He had in fact, received complaints that the same input was not being put into the work there as here.

## 3. SECURITY:

The Prime Minister then went on to say that the recent explosives finds along the border had been very helpful. The Gardai and the R.U.C., seem to be working very well together - and actually enjoying it. Both forces had a high regard for the rule of law and order.

The Taoiseach said that important as security was, it was not the whole picture. What he had in mind was that the Prime Minister and he could, perhaps, create a situation where a British Prime Minister could drive into the centre of Dublin without any extraordinary security. We are concerned with the spill-over of the effects of Northern violence down here. The Prime Minister said that she thought that much of the violence came from down here. The Taoiseach said that it came from Belfast which now appears to be the centre of provisional activity. He added that if we can get political movement going we could make a major political initiative to end the violence. The Prime Minister said that what the Taoiseach had said must mean that the headquarters of the I.R.A. were down here. The Taoiseach said that this was not so. All our security advice was that Belfast was the main centre. We have locked up our own violent men. Down here they were isolated. What was important now was to isolate them in the North - leave them no basis, or no platform. This could be done if new political developments, to bring the two people together, were seen to be coming about. The



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Prime Minister said that the two communities must learn to live together. The Taoiseach added that the cost of security to us here is enormous. It was more than three times greater here, per head of the population, to sustain Northern Ireland related security effort alone, than it was for the United Kingdom for Northern Ireland. Here the cost was about £25 per head: in the United Kingdom it was about £8 per head.

## 4. GENERAL:

The Prime Minister enquired as to the economic situation here. The Taoiseach said that economically we had big problems. About 20% of the population depended on agriculture, which had had an extremely bad year. He thought that the British figure, at about 3-4% was considerably smaller. The Prime Minister said that, on the contrary, up to 10% of the population in the United Kingdom was involved in agriculture or agriculture related industry like food processing, tractors etc. The Taoiseach went on to say that not only does farming contribute to GNP but it helps to keep people in employment. Here, unemployment was now about 10%. It had always been high but recently had grown critically. We were also concerned with the size of our budget deficit. The Taoiseach paid a compliment for the way in which recent British Government efforts had helped to improve housing in the North. The Prime Minister said that direct rule had brought many improvements in Northern Ireland but it could not be maintained forever. She thought that a system something like that of Local Government in the U.K. would work. When she produced this in public she was told that it would not work - that local government was where the trouble had started.

She then mentioned that they had a bill to deal with nationality coming up in the U.K. She appreciated the Taoiseach's willingness to reciprocate on voting rights. The Taoiseach said that we were ready to talk realistically on this but he had the impression that work going through on the British bill might be holding us up, temporarily. However, this was only a technicality. We were ready to talk on practical forms of co-operation but what he had in mind was studies, evolving out of the unique relationship between the two countries. If we could get these studies going we might be able to move forward, on a basis which would enable the people in Northern Ireland to live at peace with one another on the understanding that the two Governments are co-operating. What was involved was a great historic move. If the situation was handled right the two Governments could, perhaps, between them solve the problem. They knew the British had certain concerns with Defence. We would fully accept these in any new arrangements. He would like them to be assured that Ireland would never be used as a base for an attack on Britain.

The Prime Minister said that violence must go. Force must be totally and absolutely excluded as a basis for any settlement. British Governments had given a guarantee to Northern Ireland and she could no more let that guarantee go than the Taoiseach could change his views on Irish unity. Persuasion was the only democratic way forward. The Taoiseach said that we must give a political basis



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which will make violence irrelevant. The Prime Minister said that violence was always irrelevant. She said it was a tremendous advance for this part of the country that the vast majority of the people here believed that violence would not achieve anything. The Taoiseach said that we were under no illusions. The Provos had spoken of an attack on both States. We were making a major effort on security and we believed that our border security could not be better. The Prime Minister said that she too believed that the degree of security here could not be better. The Taoiseach then went on to say that we were mounting a major effort on security down here. We were involved in re-organising the Gardai, the purchase of helicopters and aircraft etc. The Prime Minister enquired as to whether extra unemployment here aggravated violence. The Taoiseach said that this was not his opinion. The fact was that both employment and unemployment were going up. Our traditional industries like textiles and shoes had been badly hit by recession. At the same time our population was growing, particularly the numbers of those under 25, which now constituted about 50% of the population.

The Prime Minister said that for them, in the textile industry, U.S. competition was particularly damaging. This was based on cheap oil and gas. They were looking to the negotiations on a new multifibre agreement in 1981 for some relief.

The Taoiseach added that insofar as exchange rates were concerned, we had gained certain advantages in the British markets but we found that the competition there was not with British firms but with continental firms with whom our rates were stable. He enquired as to British policy on interest rates. The Prime Minister said that interest rates, at present were high, because inflation was high. She enquired as to how we could finance our borrowing unless we paid a high interest rate to attract the money. The Taoiseach said that we had a good credit rating. There were no technical problems. Our essential problem was that we must invest heavily in infrastructure to raise the standard - and this involved limiting current expenditure. The Prime Minister then went on to explain how oil revenues had increased the value of the £ and current British policy on oil pricing. She enquired as to our intention about nuclear power, which the Taoiseach dealt with. He said that he regarded an inter-connector between Wales and Wexford as being extremely desirable and would like to see a feasibility study on it completed soon. The Prime Minister took sympathetic note of his views.

She enquired as to whether we had problems on tax holidays, with the European Community. The Taoiseach said that the Community had kept leaning on us more and more. We were attracting good modern industry but our development programmes were costing us a lot. In reply to an enquiry, he said that we were getting community help in the form of EIB loans. The Prime Minister said that part of the British economic problem at present was that they were being under-cut by competitors because of the high exchange rate of the £ and the use by these competitors of cheap oil and gas - which the British could not



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use, because of community policies. She added that unless work could be provided for young people they will get into "mischief".

There was then some further discussion on agriculture, including the position of New Zealand and the sale of butter into intervention. The Taoiseach at one point in the conversation indicated a desire to see the British legislation on enterprise zones, which the Prime Minister described to him. She added that there would be such a zone in Belfast and commented on the colossal subsidy now being paid to Northern Ireland from the British Exchequer.

There was also some further discussion on the situation in Poland, the development of political co-operation in Europe and the desirability of consultation on matters coming before the U.N. Security Council.

9th December, 1980.