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cc: PS/Secretary of State (B and L) - M
PS/Ministers (B and L) - M
PS/PUS (B and L) - M
PS/Mr Bell - M
Mr Marshall (L) - M
Mr Blelloch - M
Mr Angel (L) - M
Mr Chesterton (L) - M
Miss MacGlashan

H16/10

① Mr Bell
② POL
28/10

Mr Wyatt

UUP ANNUAL CONFERENCE

1. At the annual conference of the Ulster Unionist Party (UUP) in Glengormley on 23/24 October (which I attended as an observer) the rank-and-file decisively repudiated a bungled attempt by the leadership to commit the Party to a recognition that no acceptable form of devolved government could be obtained and that integration should therefore be pursued as a first option. The devolution/integration argument has pre-occupied the UUP since Molyneaux's decision in late 1979 not to attend CGNI, and led to a rowdy and inconclusive debate at the Party's 1980 conference, but an open test of strength between the two factions has previously been avoided since the formal aims of party policy include both a Stormont-style devolved assembly and "local government reform". The latter demand is compatible with devolution if it is taken to mean the restoration of some powers to the 26 existing local councils, but incompatible if it is read in the integrationist sense as a call for an upper tier of local government - ie a regional authority or county council for the whole Province which would effectively preclude the return of Stormont. The UUP's poor showing in the May local elections was widely blamed on the Party's indecisive image as a result of this uneasy compromise, and contributed to a general feeling that the time had come to stop papering over the cracks. In the event the defeat which Jim Molyneaux suffered after he himself chose to bring the issue to a head has put a major question-mark over the party leadership, and scarcely improved the UUP image by contrast with the DUP (whose highly disciplined conference was being held at the same time in Ballymena).

2. Molyneaux initiated the argument when he decided (unusually) to address the conference as soon as it opened on the 23rd - traditionally the leader confines himself to a closing speech winding up the proceedings. In this speech he told the delegates that it would be wrong for him to "withhold the guidance which it is my responsibility to give", and went on to detail the "brush-offs" which successive governments had given to

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Unionist attempts to regain "a Stormont Government without power sharing", culminating in the meeting with the Secretary of State on 17 September. He quoted in full his letter of 18 September, and went on to stress "the blunt unpalatable truth" -

"While we are entitled to hope and retain our aspiration, I cannot and will not mislead you into believing that this Government - or the next - will restore Stormont in a form acceptable to true Ulster Unionists."

Without mentioning the word, he went on to urge the policy aim of integration, using the slogan adopted for the Conference^{of} "British Citizens demand British Rights" - "from this day forward we shall be asking for that which Parliament cannot deny us - parity and equality of opportunity within the United Kingdom". (The argument here - as explained to me some weeks ago by Frank Millar, the Party's vigorously integrationist Press Officer who had a large hand in drafting Molyneaux's speech - is that a devolved assembly is not a British right (since nowhere else in the UK enjoys it) but that full local government powers are, and that Parliament accordingly has a moral obligation to provide them.)

3. The devolutionists saw this as a clear challenge by Party leaders who were excessively influenced by the Westminster-centred views of Enoch Powell and had lost touch with their grassroots. The crunch came in the constitutional debate on Saturday afternoon, when the substantive resolution was modified to call for the restoration of local government powers "in a manner consistent with the return of a devolved parliament", while an integrationist amendment laid stress on the impossibility of achieving devolution. The devolutionist attack - which was strongly articulated by David Trimble and Austin Ardill (ex-Convention members), Edgar Graham (Young Unionist Chairman), Ray Ferguson (Chairman of Fermanagh District Council) and David McNarry (a former YU Chairman) - had 3 main themes:

- (i) the leadership had been half-hearted and defeatist in pursuing devolution, and Molyneaux's claim that it was unattainable was a "self-fulfilling prophecy" (Graham);
- (ii) it was disingenuous of the leadership to suggest that integration was a more realistic option, since (unlike devolution) no GB political party was in favour of granting

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it - "for every political obstacle to devolution, there are ten to integration" (Trimble);

- (iii) most importantly, integration if achieved would place the future of the Province entirely in the hands of ^{the} government at Westminster, which might easily be formed in the future by a party opposed to the continuance of Northern Ireland within the UK. A devolved Assembly was therefore the best way to protect the Union. (As Ardill candidly said to me afterwards, with a devolved government in place as an existing structure of authority within the Province it would be far easier for Unionists to organise "resistance" if a UK government "tried to sell us into a United Ireland".)

4. By far the most damaging attack came from Harry West (Molyneaux's predecessor as party leader), who received a prolonged standing ovation when he came to the rostrum which contrasted notably with the tepid applause after Molyneaux's Friday speech. West disowned Molyneaux's version of a meeting ~~which~~ they had with Lord Thorneycroft and Airey Neave in March 1979 (which the UUP leader had presented as another rebuff for devolution) and argued that "the door is not closed":

"We must not take the first or the twenty-first refusal of the Government as final."

Although some integrationist speakers urged the illogicality of pursuing devolution while refusing to pay HMG's price (power-sharing), the battle was clearly lost when Enoch Powell deserted the cause and indicated that he "saw no difficulty" in supporting the resolution. On a show of hands the amendment was massively defeated and the resolution carried almost unanimously.

5. This debate marks an important shift in the balance of power within the UUP. Hitherto the leadership had argued that the mass of Unionist opinion was willing to accept the "new realism" of the integrationist approach and that the devolutionists were a vocal minority stirred up by malcontents like John Taylor and Robert Bradford to further their own ambitions. This is clearly no longer tenable after such a decisive defeat for Molyneaux on a ground of his own choosing. It was in fact noticeable that the devolutionists regarded Taylor and Bradford as

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potential liabilities (they are both currently in some disfavour in the Party following their unauthorised decision to participate with Paisley and Robinson in a joint propaganda mission to the USA). A far more significant figure is Harold McCusker, who (although widely recognised as the ablest UUP MP and a potential Party leader) has usually been seen as a loyal Molyneaux man and a pro-integrationist. Although he only made a brief appearance during the closing stages of the conference, his comment at a private meeting earlier in the week that integration was "a non-viable alternative" (reported in Friday's Irish Times) caused a considerable stir and was linked by many delegates to the speech which Bob McCartney QC (the leader of the delegation of non-party Unionists who recently met Garret Fitzgerald) delivered after the Annual Dinner on the 23rd. (Usually there are no speeches on this occasion, but Molyneaux agreed to let McCartney speak - even though he is not a UUP member - at McCusker's special request.) After drawing a parallel between the rise of Fascism and the growth of the DUP, McCartney commented that unionists who rightly criticised the "theocracy" of the Republic should take care that they were not tolerating the growth of "a suffocating form of extreme fundamentalism in Northern Ireland", and he argued pointedly that the UUP needed "firm and incisive leadership" to distance itself from Paisley and present a real alternative. McCartney was widely seen as a stalking-horse for McCusker, and his speech was interpreted as indicating that after the polarisation of the last year the Armagh MP had lost faith in the feasibility of integration and now believed that only a far more radical and decisive style of leadership could stop the drift of UUP support to Paisley's more robust and hard-line loyalism.

6. The leadership's response to this reverse has been to claim disingenuously that nothing significant has happened and that party policy has been unanimously reaffirmed, ignoring the fact that an attempt by the party leader to change the emphasis of that policy was decisively rebuffed. The devolutionist activists (who have for some time formed a pressure group within the Party under the aegis of Bill Craig) will now be trying to pin down the leadership at the next Executive meeting (on 14 November) to a clear programme of action directed at the goal of a devolved assembly. It will be a good deal more difficult for them to achieve this development in party attitudes, and success may well depend on two factors: the extent to which McCusker is prepared to put his very considerable influence behind them, and the extent to which they can clarify their

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thinking and carry rank-and-file party members with them on the crucial question of the degree of minority participation in government which they could accept. The leading devolutionists readily admit (in private) that some ground will have to be conceded here, and that Stormont tout court cannot be regained, but the issue of "rebels in government" remains a highly emotive one for Unionists and it is by no means clear how far they are able (or willing) to go. (All the same there were some straws in the wind: eg a number of delegates privately supported Professor Des Rea's call for the Party to review its attitude of absolute hostility to "participation government", while Edgar Graham and several other devolutionists indicated agreement with Bob McCartney's oblique comment to me that "70% of the equity ought to be enough".)

Conclusion

7. From its origin the UUP has always been a broad coalition whose members, while they may have had disparate socio-economic interests, have had no cause to differ on the central question of how best to maintain the Union. The novel strains which the Party has experienced in this fundamental area, exacerbated by the challenge of the DUP, are potentially helpful to HMG since the impetus now clearly lies with those who are willing to look positively at the possibilities for political development in the Province rather than those whose sympathies are basically integrationary. Coinciding as it does with some signs of new thinking in other parties (eg Paisley's call for another Convention), the UUP Conference is an encouraging sign - although until McCusker's position becomes clearer it is hard to say whether these particular straws in the wind can ever be converted into bricks!

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