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*This book is designed as a direct replacement  
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## 12

# Northern Ireland and the Anglo-Irish Agreement

BRENDAN O'LEARY

Northern Ireland's politics are antagonistic. The Anglo-Irish Agreement (AIA), signed at Hillsborough in November 1985 by the Prime Ministers of the UK and the Republic of Ireland, Margaret Thatcher and Dr Garret FitzGerald, was designed to replace antagonism with accommodation, to promote peace and reconciliation between the two traditions in Northern Ireland and within both parts of Ireland, and to consolidate better relations between Britain and Ireland (Kenny, 1986).

The AIA also had five more immediate goals (O'Leary, B., 1987a). First, Irish and British policy-makers were persuaded that 'something had to be done' to stop the rise in support for Sinn Féin, the revolutionary nationalist party which supports the IRA. In four elections from 1982 to 1985 Sinn Féin captured between 35 and 43 per cent of the nationalist vote, threatening to eclipse support for the moderate nationalists of the SDLP. John Hume, the SDLP's leader lobbied hard for a political initiative in the British Isles, Europe and the USA. Halting Sinn Féin required measures to remove the causes of the alienation of the nationalist community in Northern Ireland. Second, both governments were concerned about security; and wished to reduce the violence associated with the conflict. Although the annual death toll had fallen from its

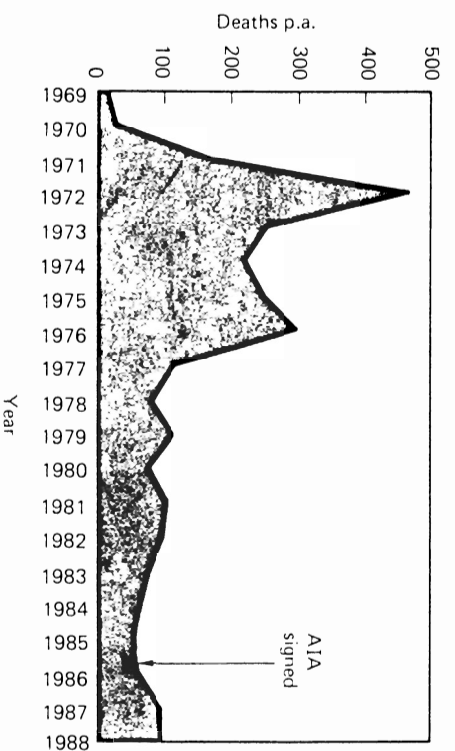


FIGURE 12.1 Political deaths in Northern Ireland: annual death toll, 1969-88

Source: Drawn from RUC data.

peak in the early 1970s it remained unacceptably high (see Figure 12.1), as did all other indicators of violence (injuries, shootings, explosions, and acts of intimidation). Third, both governments wished to break the stalemate which had prevented an internal political settlement in Northern Ireland. Unionists were not prepared to share devolved governmental power with nationalists, and those nationalists who would share power would only do so if an 'Irish dimension' accompanied it, i.e. some institutional recognition of their national identity. Fourth, the Irish coalition government of Fine Gael and Labour was anxious to promote the position of the nationalist community in the North, if only to protect the Irish party system from the impact of Sinn Féin. Although not averse to gaining a first foothold in the long march to Irish unification, its priority was peace before Irish unity (Mair, 1987). Finally, the British government was anxious that the Irish government share responsibility for the management of Northern Ireland, if not power, to help reduce the international embarrassment caused by its most troublesome territory.

### The Content of the Agreement and Its Rival Interpretations

The AIA is an accord between the British and Irish states which contains an agreed definition of how the status of Northern Ireland might be changed (Article 1). The electorate of Northern Ireland are free to choose, by majority vote, to remain part of the UK or to become part of the Republic of Ireland if they so wish. It established an Inter-Governmental Conference (IGC) where both governments discuss public policy matters affecting the government of Northern Ireland and make 'determined efforts ... to resolve any differences' (Article 2). It also commits both governments to promote a devolved government based on the 'co-operation of constitutional representatives ... of both traditions' that would 'secure widespread acceptance throughout the community' (Article 4). Until this devolved government is achieved the Irish government represents the interests of the nationalist minority in the Inter-Governmental Conference (Article 5).

The AIA contained thirteen articles in total – as the superstitious observed. Their content and the accompanying communiqué suggested a renewed British commitment to reform Northern Ireland, especially the administration of justice; and to guarantee equality by working 'for the accommodation of the rights and identities of the two traditions which exist in Northern Ireland', by protecting 'human rights' and preventing 'discrimination' (Articles 4(a) and 5). The governments pledged themselves to political, legal and security cooperation over Northern Ireland (Articles 5-8) and also to cross-border cooperation on security, economic, social and cultural matters (Articles 9 and 10).

Reactions to the AIA varied widely (O'Leary, B., 1987a, pp. 5-8). It was backed solidly by British and Irish public opinion. It was overwhelmingly supported in the House of Commons but only passed the Irish parliament, Dáil Éireann, against the opposition of the largest party in the Irish Republic, Fianna Fáil. Within Northern Ireland it was vehemently opposed by the two main unionist parties, the Ulster Unionist Party (UUP) and the Democratic Unionist Party (DUP), and by Sinn Féin. It was enthusiastically supported

by the SDLP and, after misgivings, by the non-sectarian Alliance party.

Interpretations of the AIA also ranged dramatically. Minimalist supporters of the Agreement backed it for pragmatic reasons. It would establish inter-state institutions for managing civil unrest, provide mechanisms for dampening violence, and by quarantining the conflict help prevent destabilising spillovers into the core Irish and British political systems. For them, the AIA was fundamentally about containment: stopping Sinn Féin and the IRA. Maximalist proponents of the Agreement, by contrast, understood it as a principled framework for a long-run political solution. They differed considerably over what that long-run solution should be, especially over whether it would lead to Northern Ireland's integration into Britain or into the Irish Republic, but agreed in endowing the AIA with heroic rather than pragmatic significance. It was variously interpreted as a prelude to the creation of an all-Ireland federal state (Palley, 1986); to the exercise of joint authority by the British and Irish governments over Northern Ireland (Kenny, 1986); and, most commonly, to the establishment of a power-sharing devolved government within the province under modified British sovereignty (O'Leary, B., 1987a, 1989).

The opponents of the Agreement were also differentiated, and found in all parts of the British Isles. Sceptics alleged that the AIA was little more than an exercise in symbolic politics, a venture which pretended to address the sources of the conflict. It would be a continuous media event which would restate existing problems in the guise of solving them. Zealous critics by contrast contended that the AIA was a major constitutional turning-point. Ulster unionists lamented that the AIA marked the end, or the beginning of the end, of the union of Great Britain and Northern Ireland (Haslett, 1987; Smith, P., 1986). One iconoclastic former Irish government minister shared these perceptions: 'The AIA constitutes a deal between Irish Catholics and the British at the expense of Irish Protestants in their "Ulster" bastion ... accompanied by a great deal of verbiage about "reconciling the two traditions" in Northern Ireland, ... [and] cant ... of the hollowest description' (O'Brien, 1988, pp. xxxiii, xxxvi). However, this viewpoint is

difficult to reconcile with the fact that the AIA has been equally bitterly opposed by many Irish Catholics and nationalists. Irish republicans assert that the AIA effectively surrenders official Irish efforts to 're-integrate the national territory' as pledged in the Irish Constitution of 1937. 'The AIA betrayed the spirit if not the letter of the Constitution of Ireland in return for implausible reassurances from 'perfidious Albion' that the Northern minority would be treated better in future (Coughlan, 1986). 'The AIA was the continuation of British direct rule in the province by other means: a shameful 'contract with the enemy' (Boland, 1988). It was 'in the final analysis ... about stabilising British interests ... [by] insulating the British from international criticism of their involvement in Irish affairs' (Adams, 1986, p. 105). 'The best way to evaluate these varying reactions is to examine the Agreement's impact upon Anglo-Irish relations, the political process in Northern Ireland, social reform and the administration of justice; and violence and security issues.

### **Anglo-Irish Relations**

The most obvious development has been the institutionalisation of British and Irish cooperation, culminating in the Review of the Agreement published in May 1989. 'The signs of institutionalised 'intergovernmentalism' (Cox, 1987) include the regular sessions of the Intergovernmental Conference, the working of the joint administrative secretariat at Maryfield, and the attempts to harmonise their statements and policies by both governments after they have engaged in serious negotiations.

However, there have been many visible tensions in British-Irish governmental relations since November 1985. First, general elections and prospective changes of government in both countries threatened difficulties. The Irish general elections of 1987 and 1989, expected to produce majority Fianna Fáil governments, posed the most serious danger. Fianna Fáil had initially opposed the AIA, and raised doubts about its constitutionality. The danger proved hollow because Fianna Fáil failed to win an overall majority on both occasions

cooperation on security. The Fianna Fáil government of February 1987–June 1989 was sceptical of, if not opposed to, devolution, and suggested that it should be accompanied by a broader North–South settlement as well as a British–Irish settlement embracing the ‘totality of relationships’ between the two islands. Their foreign minister Lenihan claimed to have three equally important goals: the promotion of the welfare of the minority, easing the fears of the majority, and reforming Northern Ireland (*Irish Times*, 11 May 1987). The Fianna Fáil–Progressive Democrats coalition government, formed after the June 1989 election, by contrast, restored devolution as an objective of the Irish government. These conflicting, and changing, objectives and priorities have generated intermittent strain and slowed the reforming momentum initiated by the AIA.

The fourth reason why British–Irish relations have occasionally deteriorated involves specific legal and security affairs which received global publicity. In late 1987 the Irish government amended the Extradition Act passed in 1986, to ensure that *prima facie* evidence that an offence had been committed would be required before suspects would be handed to the British. This amendment was passed after the refusal of the British government to change the court system in Northern Ireland – Dr FitzGerald claimed that these two issues had been linked in the negotiation of the AIA – and because of public anxieties about the treatment of Irish suspects in British courts. Irish underconfidence in British justice was reinforced in January 1988 when the Court of Appeal rejected the appeal of those convicted of the Birmingham pub bombings in 1974, despite suspicions about both the forensic evidence and the nature of the confessions which formed the basis of the convictions. The Irish government did not blame the British government because English judges found the idea that the West Midlands police could behave illegally ‘too appalling to contemplate’. However, it could, and did, complain vociferously when the British Attorney General decided, in the same week, that it would not be in the national interest to prosecute RUC officers, despite evidence of a conspiracy to pervert the course of justice produced by inquiries into allegations that the police had engaged in ‘shoot-to-kill’

policies in the early 1980s (Stalker, 1988). Nationalists throughout Ireland reacted furiously; in their view the Attorney General had decided to cover up an issue discussed in the Inter-Governmental Conference.

Soon afterwards an unarmed Catholic civilian was shot dead on the border by a British soldier in suspicious circumstances. The fires of this event were fanned when the only British soldier to have been sentenced for a manslaughter charge since 1969 was released by the Home Secretary in February 1987. Having served a three-year sentence, he was back with his former regiment. Events then flowed thick and fast: the Home Secretary, Douglas Hurd, announced that the Prevention of Terrorism Act was to be made permanent, despite the fact that it contained ‘internal exile’ clauses offensive to Irish sensibilities and civil libertarians. The British Attorney General, badly briefed about the nature of the amendment to the Irish Extradition Act, accused the Irish government of breaching extradition agreements. The killing of three unarmed IRA terrorists by the SAS in Gibraltar on 6 March 1988, in circumstances where they might have been arrested, increased tension still further. The funerals of the IRA personnel were subsequently attacked by a loyalist paramilitary, resulting in three murders on 16 March, and on 19 March two British soldiers who drove into the resulting funeral cortège in Andersonstown were lynched by members of the procession.

The culmination of these events forced both governments to get a better grip on their relations, and to agree on the need for closer and better crisis-management and crisis-avoidance. However, in December 1988 another major public row occurred when the Irish Attorney General refused to extradite Father Patrick Ryan, despite *prima facie* evidence sufficient to warrant a prosecution on terrorist charges, because the public comments of the British Prime Minister and other Conservative MPs had prejudiced his prospects of a fair trial. Instead he invited his British opposite number to use the Criminal Law (Jurisdiction) Act, which enables the prosecution of suspects in one jurisdiction for offences committed in another. However, the British attempt to use this Act in the Ryan case failed in 1989 because of lack of evidence – and

amidst rumours that witnesses were not prepared to travel to Ireland.

These events, intentionally or otherwise, appeared to show to the Irish that security, counter-insurgency and national sovereignty prerogatives matter more to British governments than good relations with the minority in Northern Ireland and the Irish government, or the preservation of the rule of law by the security forces. Cases in Britain such as the Guildford Four, the Maguires, the Birmingham Six and the Winchester Three – all convicted by English courts of IRA-related offences in controversial circumstances – became *causes célèbres* in Ireland. On the other hand the same episodes appeared to show to some British politicians that the Irish were insufficiently resolute in 'the fight against terrorism' and 'irrationally prejudiced' about British courts. Though none of these episodes revealed a British or Irish desire to renege on the AIA, in the British case they suggested a lack of coordination between the government ministries dealing with Northern Ireland. (The NIO does not handle all matters which affect British-Irish relations). Dr FitzGerald put matters more harshly in June 1989: 'The failure of the Irish to understand how stupidly the British can act is one of the major sources of misunderstanding between our countries... Their system is uncoordinated. Because there's a Northern Ireland Secretary people think there's a Northern Ireland policy – but there isn't' (McKittrick, 1989). However that may be, both governments, in the jointly published Review of the AIA, showed themselves sensitive to the charge that the Inter-Governmental Conference lacked strategic coordination and had degenerated into a forum for mere 'crisis management'. They resolved to order their affairs better in future and avoid the temptations of 'megaphone diplomacy'.

### **The Political Process in Northern Ireland**

Political developments since Hillsborough have been dominated by the apparently implacable hostility of most unionists to the AIA. 'Ulster [meaning Protestant Ulster] says No' has been the slogan of their resistance. Unionists rejected Article 1

of the Agreement because it suggested a lack of commitment in Westminster to retain the province in the UK. They condemned all the other articles because they give a 'foreign power' a say in the affairs of the UK. They refused to negotiate a power-sharing devolved government on the grounds that it would be discussed 'under duress', that it was not British to have permanent coalition governments, and because the Inter-Governmental Conference would be left intact even if a devolved government were agreed.

When the British government rejected a call for a local referendum on the Agreement unionist MPs cooperated in resigning their Westminster seats and forcing a 'mini-referendum' of fifteen by-elections in January 1986. The by-elections backfired when they failed to win their target of half a million votes and lost Newry and Armagh to the SDLP's deputy leader Seamus Mallon, but they did show the depth and breadth of Unionist opposition to the AIA. The by-elections were followed by boycotts of Westminster and the Northern Ireland Office; use of the facilities of the Northern Ireland Assembly – which nationalists had boycotted since its formation in 1982 – for political protests (O'Leary, *C. et al.*, 1988); the sunnering of the last links between the Conservative party and the UUP; mass demonstrations; a one-day general strike; and a civil disobedience campaign involving non-payment of rates and taxes as well as the refusal of unionist councillors to set rates in local government districts. In the spring of 1986 loyalist paramilitaries attacked RUC officers' homes in retaliation for their 'collaboration' with the AIA; intimidated large numbers of Catholics into leaving their homes in areas of 'mixed residence'; and recommenced their practice of murdering Catholic civilians, dormant since 1977. The British government stood firm in the face of these protests, and faced down unionist opposition. It closed the Northern Ireland Assembly in June 1986, and enforced the law against illegal actions by Unionist politicians and paramilitaries. In consequence the strength of unionist constitutional, quasi-constitutional and paramilitary action against the AIA was dissipated by late 1986 and early 1987.

After their failure to persuade the British government to abandon the AIA, divisions and shifts of opinion erupted

among Unionists. A minority broke away from the UUP to campaign for complete integration into Britain, arguing that British political parties should organise in Northern Ireland (Roberts, 1987). Most of these former Unionists sought to organise Conservative party branches in the province but their overtures were initially rejected by British Conservatives – although in 1989 it was agreed that some Conservative party branches could be formed. The think-tank of the loyalist paramilitary organisation, the UDA, published *Common Sense* in January 1987, in which they called for the establishment of a power-sharing devolved government ('co-determination'), subject to the abandonment of the AIA. In June 1987, after long consultations, the secondary leadership of the UUP and DUP produced the *Task Force Report*, which also suggested that a power-sharing devolved government was no longer 'unthinkable'. In response Ian Paisley and James Molyncaux entered into 'talks about talks' with the NIO which lasted until May 1988. However, they insisted that the AIA had to be suspended before broader talks with the SDLP or the Irish government could begin. This demand was unacceptable to both governments and the SDLP.

The posture of the unionist leaders effectively shelved the interest in the power-sharing option expressed in the *Task Force Report*, and their tactics thereafter seemed to be based upon waiting for the AIA to collapse as a result of discord between the British and Irish governments. On occasions they even hinted at their willingness to embrace direct negotiations with Dublin for a new agreement covering the 'totality of relationships' within the British Isles – but such suggestions were widely decoded as a stratagem to destroy the AIA. However, although agreed on hostility to the AIA, unionist political parties remained in a state of ferment. The UUP was divided between a majority of integrationists and a vocal minority prepared to accept a power-sharing devolved government; and the DUP was divided over whether to embrace more extreme action against the AIA, and over whether to maintain its united front with the UUP.

Among the nationalist minority the initial widespread backing for the AIA, which fed into increased support for the SDLP, waned as the Inter-Governmental Conference failed to

deliver rapid, dramatic and effective reforms of Northern Ireland. Indeed by April 1988 in one opinion poll only 16 per cent of Catholics believed the AIA had benefited the nationalist community (Wilson, R., 1988). The British government's early caution and immobility on reforms owed something to its desire to reassure unionists but the predictable consequence was to reduce nationalist support. Sinn Féin sought to capitalise upon this vicious circle (Sinn Féin, 1989), but owing to the nature of IRA activity in the period after Hillsborough, and the resurgence of the SDLP, it has been unsuccessful. However, nationalist support for the Agreement has mostly depended upon the negative fact that it is opposed by unionists.

The most significant development within the nationalist bloc since the AIA was the holding of talks between the SDLP and Sinn Féin in the first eight months of 1988. John Hume's SDLP tried to persuade Sinn Féin of the futility of the IRA's campaign, which they believe is not only morally wrong but also the major obstacle to Irish unity. Sinn Féin used the talks to try to legitimise itself as a political party within the nationalist community. When the talks broke up both sides published their position papers and Hume later went on a renewed campaigning offensive against both Sinn Féin and the IRA, accusing them of being fascists who, far from 'defending' the Catholic minority, had killed more Catholics than any other organisation since 1969. The talks did succeed, if nothing else, in further isolating Sinn Féin from the broader nationalist community in Ireland but were predictably condemned by the unionists as unprincipled.

Since Hillsborough the SDLP has rejected all unionist calls for negotiations on a political settlement which have demanded either the abandonment or the suspension of the AIA. Nonetheless informal discussions and talks between representatives of the constitutional parties have continued since 1986, and occasionally have come close to producing a formula for 'talks about talks' – as appeared to be the case after cross-party discussions at Duisberg in West Germany in February 1989. However, despite other subterranean signs of political dialogue since then the internal politics of Northern Ireland remain in stalemate. Unionists are not prepared to



negotiate under the AIA, the SDLP are not prepared to negotiate without it staying in place. Political leaders in both communities remain aware that compromise may be interpreted as surrender by their party colleagues and rivals in other parties, and at the time of writing, there are few signs which suggest good prospects for an agreed devolved government.

The AIA was intended to shake up trends in party support: to stem and reverse the growth of Sinn Féin; to stabilise support for the SDLP; and to encourage productive attitudes towards devolution among unionists – by strengthening power-sharing devolutionists within the UUP at the expense of both extremists within the DUP and integrationists within the UUP (O'Leary, B., 1987a, pp. 11–12). So what impact has the Agreement had in these respects? Within the unionist bloc the DUP has lost ground since Hillsborough. Table 12.1 demonstrates that in all three elections held after the signing

TABLE 12.1 *Party performance before and after the Anglo-Irish Agreement: per cent of the vote of Unionist and Nationalist blocs*

	DUP		Net change
	<i>Before</i>	<i>After</i>	
Westminster	1983: 20	1987: 12	-8.3
Local Government	1983: 24	1989: 18	-6.5
European	1984: 34	1989: 30	-3.7
	UUP		Net change
	<i>Before</i>	<i>After</i>	
Westminster	1983: 34	1987: 38	+3.8
Local Government	1983: 30	1989: 31	+1.9
European	1984: 22	1989: 22	0
	SDLP		Net change
	<i>Before</i>	<i>After</i>	
Westminster	1983: 18	1987: 21	+3.2
Local Government	1983: 18	1989: 21	+3.3
European	1984: 22	1989: 26	+3.4
	Sinn Féin		Net change
	<i>Before</i>	<i>After</i>	
Westminster	1983: 13	1987: 11	-2.0
Local Government	1983: 12	1989: 11	-0.5
European	1984: 13	1989: 9	-4.1

Notes: All figures in per cent. The figures are rounded except for the 'Net Change' figures which are to one decimal place. The figures for Local Government and European elections are percentages of all first preference votes; for Westminster of the total vote.

of the AIA, including the European election of 1989, Paisley's party failed to match the share of the vote it obtained in the corresponding elections held before the Agreement. However, the DUP and UUP have cooperated both politically and electorally since Hillsborough, so these figures, alone, are misleading. Moreover, power-sharing devolutionists have made little headway within the UUP. But the overall showing of the unionist bloc in the three elections held after the Agreement is also significant. Its total share of the Northern Ireland vote (55 per cent in the Westminster election of June 1987, 49 per cent of the first preference vote in the Local Government Districts elections of May 1989 and 51 per cent of the first preference vote in the European elections of June 1989) fell below its level in each of the last comparable elections, and the two 1989 elections produced the lowest and second lowest shares for the unionist bloc since the 'troubles' began (O'Leary, B., 1990). Some unionists undoubtedly abstained, disillusioned with constitutional politics or with their 'natural parties' campaigning against the AIA. However, although the AIA has produced some movement in the direction of squeezing loyalist extremists, it has not, as yet, produced a decisive accommodating response on the question of power-sharing from within the UUP or the DUP. Indeed, judging by opinion polls, Protestants increasingly favoured full integration of Northern Ireland into Britain (47 per cent) rather than devolved government with power-sharing (17 per cent) as their first preference solution (Wilson, R., 1988). On the other hand, after the 1989 local government elections many councillors from the UUP engaged in cross-party cooperation with the SDLP and the Alliance party in the allocation of committee duties and elected posts, suggesting some willingness to engage in local power-sharing.

The impact of the AIA on nationalist voting and party political behaviour has more clearly achieved the British and Irish governments' objectives. First, it has halted the growth of the Sinn Féin vote, and shows some signs of reversing it. Table 12.1 shows that Sinn Féin's share of the vote fell in each of the elections, Westminster, Local Government Districts and European, held after Hillsborough, by comparison with the corresponding three elections before the AIA was signed.



several grounds. The White Paper and first draft of the Bill which preceded it were flawed (McCrudden, 1988); and despite some key concessions made by the British government in the bill's passage through Westminster critics believe the final legislation lacks the 'teeth' required to address the entrenched direct and indirect discrimination in Northern Ireland's notorious labour markets with effective programmes of 'affirmative action'. Fair employment is vital in ending the alienation of the minority, and reducing support for Sinn Féin in the most deprived Catholic districts of Northern Ireland.

There is considerable suspicion that the British government was primarily motivated by the need to respond to the 'MacBride principles' campaign in the United States, which has sought to oblige US companies in Northern Ireland to practise fair employment in recruitment and promotion or be obliged to disinvest (Osborne and Cormack, 1989). The success of the supporters of the MacBride principles in passing relevant legislation in American states and in the US Congress has prompted the British government to engage in 'symbolic politics', to appear to be doing something about inequality. Kevin McNamara, the Labour party spokesperson on Northern Ireland, points out that Whitehall has spent more in lobbying in the USA to try to defeat the innocuous MacBride principles than in its efforts to stop the publication of *Spycatcher* (Doherty, 1988). The Conservative government may also have worried that radical legislation facilitating extensive 'affirmative action' on religious discrimination in Northern Ireland might produce awkward demands for similar legislation to rectify sexual and racial discrimination in England, Scotland and Wales.

### *Legal Justice*

Nationalist discontent with British reforming efforts has been more marked in the administration of justice. 'In national conflicts, law, order and justice are not just some of the issues that happen to arise from other causes. National conflicts, once they are fully developed, revolve around these matters' (Wright, 1989, p. 153). Before the negotiation of the Agreement some of these matters were discussed, and although

agreements in principle were reached they were excluded from the Hillsborough communiqué (Moloney, 1986). They included agreement to remove powers of arrest from the Ulster Defence Regiment, the locally recruited section of the British Army which is over 90 per cent Protestant; to guarantee a numbering system for UDR soldiers; to make RUC constables pledge to defend the 'two traditions'; and to increase the representation of Catholic judges on the Belfast high court. The Hillsborough accord and communiqué publicly included commitments to ensure 'police accompaniment' of the British Army and the UDR; to consider the reform of the controversial Diplock courts (which have a single judge and no jury), either by creating 'mixed' (i.e. British and Irish judges on the bench) or three judge courts; and to contemplate the establishment of a Bill of Rights.

On all these matters the Irish government and nationalists complain that the British government has either failed to deliver change or has done so half-heartedly. The courts have not been reformed, partly because of the resistance of Lord Hailsham, when he was Lord Chancellor, and Lord Lowry, the Lord Chief Justice of Northern Ireland. There has been no move on a Bill of Rights, partly because it would be incompatible with most of the British government's 'counter-insurgency' legislation, namely the Emergency Provisions Act and the Prevention of Terrorism Act. The British have also failed to deliver properly on 'police accompaniment'. The UDR, some of whose soldiers have continued to be involved in sectarian murders of Catholics and in overlapping membership of loyalist paramilitary organisations, has remained a fundamental concern. In August and September 1989 evidence that the files of IRA suspects had been given to loyalist paramilitaries who had used them to carry out murders again raised questions about the partiality of both the UDR and the RUC.

At a meeting of the Inter-Governmental Conference in 1989 in Dublin, Peter Brooke, the new Northern Ireland Secretary, met the new Irish foreign minister, Gerry Collins. This longest-ever session of the IGC broke up without any resolution of these issues. The Irish government pressed for a renewed British commitment to reform the security forces,

especially their recruitment policies, and to ensure police accompaniment. In the subsequent press conference Collins pointed to the extensive 'gap' between both governments which needed to be closed, and warned ominously: 'If we don't do that then the Anglo-Irish Agreement will be held up to question as to whether or not there is any reason for having it at all.' After four years the AIA shows few signs of achieving minority confidence in the administration of justice and the security forces.

### **Violence and Security**

The IRA and Sinn Féin, of course, have been desperate to ensure that the AIA will not produce minority confidence in British government. After November 1985 they deliberately set out to raise the tempo of their 'long war' to break Britain's will, to prevent an internal political settlement within Northern Ireland, and to encourage the British government into embarrassing repressive actions. In the summer of 1986 the IRA widened its definition of 'legitimate targets' to include civilians engaged in economic relations with the security forces, provoking a predictable response from the Ulster Freedom Fighters, the pseudonym for the militarily active section of the still legal Ulster Defence Association (UDA), that it too would widen its definition of 'legitimate targets'. The two sets of paramilitaries had a shared interest in ensuring that the level of violence would rise after the AIA, so they could both say it was not working. The monthly death toll not surprisingly rose in the years after the AIA by comparison with the preceding three, although preliminary data for 1989 suggest that it has since fallen. The more dramatic indicator of rising violence after the Agreement was in the levels of serious injuries caused by political violence. However, the death-rate still remained well below the levels of 1971-6 (see Figure 12.1) and it was inflated by internal feuds within paramilitary organisations. The IRA continually executed alleged informers; the Marxist paramilitaries of the Irish National Liberation Army (INLA) (who had killed Conservative spokesman Airey Neave in 1979) collapsed in an internal bloodbath; and the UDA

remained so prone to faction-fighting that some of its members colluded in helping the IRA kill their deputy leader John McMichael (co-author of *Common Sense*) in December 1987.

The IRA was fortified by renewed military supplies from Libya, following Thatcher's support for the American raid on Tripoli in April 1986. This helped it increase its campaigns in 1987-8. It also extended its campaign to England, and to attacks on British security force personnel on the European continent, the latter being more successful than the former. However, the IRA suffered several notable reversals. They lost eight men in an attack on Loughall RUC police station in May 1987. Their personnel regularly made 'mistakes' which brought them almost universal condemnation. The most notorious was the murder of 11 Protestant civilians and the injury of 63 others after a bomb at a Remembrance Day ceremony in Enniskillen in November 1987. In consequence Sinn Féin was unable to reap any benefits from the nationalist discontent over the pace of reform in Northern Ireland.

There is a long tradition of British policy-making in Ireland of ineffectively combining reform and repression (Townshend, 1983). The tradition seems to have survived the Hillsborough treaty. New repressive measures, introduced in the wake of Thatcher's anger when the IRA killed eight off-duty soldiers in August 1988, include the following: the Home Secretary's broadcasting ban on Sinn Féin, a legal political party (albeit in imitation of a similar ban by the Irish government); the requirement in the Elected Authorities Act, 1989, that all councillors in Northern Ireland take an oath repudiating the use of violence; and the removal of the right of the accused to have no inferences drawn from their silence by judges directing juries. The latter action was announced during the trial of three Irish people (the Winchester Three) exercising their common law 'right to silence'. They were accused and subsequently found guilty of plotting to murder Tom King. Making the Prevention of Terrorism Act permanent, despite it being in conflict with the judgements of the European Court of Human Rights, has also not helped win minority confidence in the forces of order.

The AIA has led to improvements in cross-border security operations, the sharing of intelligence between the two

governments, the Irish government's signature of the European Convention on the Suppression of Terrorism, and, eventually, to improved extradition arrangements, but there is no overall success story to report in these domains. British security-policy-making since Hillsborough still seems to merit the satirical description in Adrian Mitchell's poem, 'A Tourist Guide to England': 'No. Please understand./We understand the Irish./Because we've been sending soldiers to Ireland./For hundreds and hundreds of years.' British ministers continue to equivocate between saying on the one hand that terrorism can be defeated and on the other that the IRA cannot be defeated militarily – as Peter Brooke suggested in the winter of 1989. Until security and reform policies march hand-in-hand the AIA cannot deliver the framework for a long-term settlement.

### Conclusion

In late 1989 there was evidence of disillusionment with the Agreement among its supporters both outside and inside Northern Ireland. The AIA, while entrenched, appeared to have become little beyond 'machinery for muddling through' (Thompson, 1989). Unionists still remained adamant in their opposition. However, there still are tempered hopes about restoring the reforming momentum of the Agreement (Boyle and Hadden, 1989), which the British Labour party promises to renew if it wins the next general election (McNamara *et al.*, 1988). It is perhaps better to think of the Agreement as 'still muddling, but not yet through', a long-run venture best illuminated by a Chinese proverb often cited by Peter Barry: 'The journey of a thousand miles starts with a single step.'

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## 13

# The Political Economy of Regulation

CENTO VELJANOVSKI

Supply-side reforms have been the hallmark of the Thatcher government's first decade in office. Privatisation, liberalisation, deregulation, and attempts at fiscal and monetary restraint are all attempts to fundamentally alter the role of the state in the British economy. They are based on a political philosophy which contends that the state should provide a framework which enables economic and political freedoms and private initiative to flourish. Nonetheless the Thatcher decade has been one of contradiction and paradox. Despite a government committed to the withering-away of the state, it remains large. Taking any measure, numerical or otherwise, the state has not diminished appreciably during the 1980s.

Yet there can be no doubt that there have been significant and radical changes. Most of the nationalised industries have been privatised, other markets liberalised (the financial and labour sectors, the professions and buses) and there have been reforms of the education and health systems. Accompanying these policies has been the growth of regulation. Many of the nationalised industries have been privatised as large entities with considerable market power. These will continue to require pervasive regulation to reduce their ability to exploit their customers and suppliers. Those sectors of the economy which have been opened to competition, such as financial