CONTACT WITH LOYALIST GROUPS

1. In recent years neither Ministers nor officials have had direct dealings with persons or organisations involved in paramilitary activity This has not always been the case. Until the advent of Roy Mason as Secretary of State Laneside, the part of the NIO with responsibility for keeping in contact with political affairs in the Province, met both Republican and Loyalist paramilitary groups on a regular basis. It is worth examining our current practice and the case, if any, for change.

2. In the course of 1980 the very firm restrictions were relaxed slightl in one respect. Councillor Hugh Smyth of the PUP, an organisation close to the UVF which Ministers and officials had hitherto shunned, met the then Secretary of State (Mr Atkins) as part of a delegation of smaller parties. Mr Smyth and his colleagues have since come to Stormont several times on their own. The only rule we have applied is that they should not bring with them persons involved now or in the past in terrorist activity (though one frequent visitor, Jim McDonald, is subject to an exclusion order from Great Britain under the PTA and another, George McDermott, who met Lord Gowrie on 14 October, is described as the UVF's "official photographer"!)

3. I do not believe there is a case for changing our policy towards the proscribed organisations (PIRA, INLA, the UVF, UFF, RHC etc). To deal with them would arouse great and justifiable anger in the community here and in the rest of the UK. It would lend encouragement to terrorism and it would undercut the position of the political parties committed to democratic politics. But there are border areas. The PUP (or rather, individuals belonging to or associated with it) is one example. The UDA is another.

4. The UDA is not proscribed, and it has over recent years played with the concept of setting up a political wing. The most ambitious attempt, the New Ulster Political Research Group (NUPRG), collapsed in the summer. A new organisation, the Ulster Loyalist Democratic Party (ULDP) was set

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NAUK, CJ4/3963, memo to David Wyatt from David Blatherwick, 19 October 1981, p. 1