

NORTHERN IRELAND: ADVANCE COPIES 20

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MR MARSHALL ) N I O  
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MR HARRINGTON )

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SIR R ARMSTRONG ) CABINET OFFICE  
D I O )

HD/RID  
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FM DUBLIN 050755Z OCT 82  
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**CHALLENGE TO MR HAUGHEY'S LEADERSHIP**

1. MR HAUGHEY IS TO FACE A CHALLENGE TO HIS POSITION AS TAOISEACH AND LEADER OF FIANNA FAIL AT A MEETING OF THE PARLIAMENTARY PARTY ON 6 OCTOBER WHICH WILL DISCUSS THE MOTION 'THAT THE FIANNA FAIL MEMBERS OF DAIL EIREANN HAVE NO CONFIDENCE IN CHARLES J. HAUGHEY AS LEADER OR TAOISEACH'.

2. THE MOTION WAS SUBMITTED LATE ON THE EVENING OF 1 OCTOBER BY A BACKBENCH TD AND SEEMS TO HAVE TAKEN THE TAOISEACH'S SUPPORTERS BY SURPRISE. IT IS THE SECOND CHALLENGE TO MR HAUGHEY'S LEADERSHIP THIS YEAR: IN MARCH, AN ATTEMPT BY MR DES O'MALLEY FIZZLED OUT WHEN MR HAUGHEY LAUNCHED A VIGOROUS COUNTER-ATTACK. SO FAR, NO ALTERNATIVE CANDIDATE FOR THE LEADERSHIP HAS COME FORWARD, BUT IT IS WIDELY BELIEVED THAT IF THE CHALLENGE TO MR HAUGHEY IS SUCCESSFUL, THE BACKBENCH TD MR GEORGE COLLEY WOULD BE NOMINATED TO SUCCEED HIM.

3. DISSATISFACTION WITH MR HAUGHEY'S LEADERSHIP WITHIN THE PARTY HAS BEEN GROWING FOR SOME MONTHS. UNREST HAS BEEN CAUSED BY THE GOVERNMENT'S FREEZE ON PUBLIC SECTOR PAY AND SPENDING CUTBACKS AND THE SCANDALS INVOLVING THE FORMER ATTORNEY GENERAL AND THE BROTHER-IN-LAW OF THE MINISTER FOR JUSTICE. THE GOVERNMENT'S



AND THE SCANDALS INVOLVING THE FORMER ATTORNEY GENERAL AND THE BROTHER-IN-LAW OF THE MINISTER FOR JUSTICE. THE GOVERNMENT'S FAILURE TO TACKLE THE COUNTRY'S SERIOUS ECONOMIC PROBLEMS HAS ALSO CAUSED DISQUIET. ON 1 OCTOBER, MR HAUGHEY WAS FORCED TO TELL THE SENATE THAT THE CURRENT BUDGET DEFICIT WAS LIKELY TO BE IN EXCESS OF IR POUNDS 900 MILLION COMPARED WITH THE PROJECTED TOTAL OF IR POUNDS 679 MILLION ANNOUNCED IN THE BUDGET. A PUBLIC OPINION POLL PUBLISHED ON 18 SEPTEMBER REVEALED THAT 67% OF THOSE QUESTIONED WERE DISSATISFIED WITH THE GOVERNMENT, AND THAT THE GAP BETWEEN MR HAUGHEY AND DR FITZGERALD IN TERMS OF PREFERENCE FOR TAOISEACH HAD WIDENED TO 20 PERCENTAGE POINTS. A GENERAL ELECTION IS REGARDED AS POSSIBLE WITHIN THE NEXT SIX MONTHS, AND MR HAUGHEY'S CRITICS MUST HAVE CONCLUDED THAT FIANNA FAIL'S SLIM CHANCE OF FORMING THE NEXT GOVERNMENT WOULD BE IMPROVED BY MR HAUGHEY'S DEPARTURE.

4. IT IS TOO EARLY TO PREDICT THE OUTCOME OF THIS CHALLENGE. IT SEEMS TO HAVE BEEN CAREFULLY PLANNED, AND THOSE RESPONSIBLE WILL HAVE LEARNT SOME LESSONS FROM THE FAILURE IN MARCH. BUT MR HAUGHEY IS A SHREWD AND CLEVER POLITICIAN WITH A STRONG DESIRE TO STAY IN POWER. MUCH WILL DEPEND UPON THE MANOEUVRES WHICH WILL TAKE PLACE BEHIND THE SCENES OVER THE NEXT FEW DAYS AS EACH SIDE ATTEMPTS TO WIN A MAJORITY IN THE PARTY.

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