PS/Secretary of State (L&B)

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cc PS/Mr Scott (L&B) PS/Dr Mawhinney (L&B) PS/PUS (L&B) PS/Mr Bloomfield Mr A W Stephens Mr Elliott Mr Gilliland Mr Chesterton Mr Spence Mr McConnell Mr G Hewitt Mr S Hewitt Mr S Hewitt Mr Bell Mr Kirk

REOPENING DIALOGUE WITH THE UNIONISTS

1. In your note of the Secretary of State's meeting with Mr Cushnahan on 3 February, you asked me to advide on the options for re-starting talks, with particular reference to Mr Cushnahan's suggestion that the Prime Minister should issue a fresh invitation to the unionist parties. I discussed the issues raised with colleagues at a meeting of the Political Developments Group on 11 February.

The Options

- 2. The options are:
 - (i) to offer a further invitation to the unionist parties to talk. This could issue from either the Secretary of State or the Prime Minister;
 - (ii) to attempt to get talks going through an intermediary. An informal mediating group could be appointed by the Secretary of State if suitable members and satisfactory terms of reference could be found;

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(iii) to restate in still more emphatic terms the Government's willingness to talk, but without issuing a specific invitation.

3. I do not recommend that the Government should put forward its own proposals at this stage, or adopt those of the Charter Group or the UDA as its own; this is to invite immediate rejection. Nor do I recommend we adopt the suggestion of the Presbyterian Church for a Royal Commission comprising the party leaders (a which yn ar receiving Separat advice). Timing

4. Any Government initiative, however slight, is an expenditure of ammunition which can be used only once. We need to be quite sure that the timing of delivery is calculated to achieve the maximum possible effect. What evidence is there that now is the right time?

5. The indications are that the unionists campaign in local government is in disarray; the UUP/DUP pact is under some strain; and the UDA document 'Common Sense' has added to the pressure on the parties to move in the direction of devolution. Mr Austin Currie's call to the parties to discuss economic and social matters suggests that the SDLP is showing a more active willingness to participate in talks than hitherto. The forthcoming publication of the Government's consultation document on a declaration of non-violence may further improve the atmosphere.

6. On the other hand, the Government will shortly have to reject the unionists' petition for a referendum on the Agreement. This rebuff is likely to overshadow any olive branch we might offer. A period of reflection will be required to allow the effect of the rejection to sink in. This suggesty that there should be no fresh Government initiative, at least for the next few weeks.

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Consultation with the Irish

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7. Given that the unionists petition [is to be] [was] delivered on 12 February, any new Government move before the Irish election on 17 February is probably impossible. Depending upon what the Government decides to do, some consultation with the Irish would therefore be needed.

What would the Government hope to gain?

8. It is most unlikely that any talks could lead to agreement on devolution. We have no real evidence that the gap between the parties has narrowed. The unionists have no incentive to make any substantial move until after the UK election. And if agreement were reached, we have no reasons to believe that it would stick.

9. There might be <u>tactical advantage</u> in demonstrating to moderate opinion that the unionists, and not the Government, are being intransigent. But the Government's position is already strong. It has consistently offered talks and the unionists have consistently refused them. It has cautiously welcomed the Catherwood and UDA initiatives; the unionists have rejected them. Of course, the Government will continue to be perceived as intransigent by a large section of unionist opinion because of its refusal to budge on the Agreement; that perception will be affected only by movement on the Agreement. The tactical advantages to be gained from a fresh initiative are, therefore, marginal.

What are the risks?

10. To offer talks on exactly the same prospectus as before is not a credible offer. The unionists know that the Government will expect them to refuse. They will regard a fresh offer of talks as either a tactical ploy, offered in bad faith; or as the

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first sign of concessions to come. If the latter, the offer will come to be regarded as the first sign of a crack in the Government's position.

a hung lahouh 11. The unionists already believe that the possibility of a UK election/puts them in/strong position vis-a-vis the Government. They expect concessions, either before a UK General Election or shortly after it. Any Government concession - or what may appear as a concession - they will regard as an opening bid which they can easily improve in a hung UK Parliament.

Conclusion

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12. The main points are:

- (i) On present evidence we cannot be certain that the timing of fresh Government initiative now would be right;
- (ii) In any event, the imminence of our robust response to suggests that a can't the unionists petition makes it pointless to offer an olive branch in the next few weeks;
- (iii) Whilst a fresh invitation from the Secretary of State or the Prime Minister to talks would not in the short terms do great damage, it risks being perceived as at best a cynical tactical ploy and at worst as a first grater which call serve is step towards/concessions which will stiffen unionists intransigent.

Recommendation

13. I recommend that there should be no new gesture towards the unionists for the next few weeks, but that we should review the position in early March in order to see whether a fresh invitation to talks would be justified before the marching seasons commences. Meanwhile, we should be able to hold the line that we are considering the Constants suggestion.
S L RICKARD IN fund -4 - February 1987
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