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cc. PS/Ministers B&L - B

PS/PUS B&L - B

Mr Burns - B Mr Stephens - B

Dr Quigley Mr Fell

Mr McAllister

Mr Spence Mr M Elliott - B

Mr Chesterton - B

Mr Wood - B Mr Leach - B

PS/Secretary of State B&L - B

VISIT TO USA: 7-11 DECEMBER 1987

- From 7 to 11 December 1987 I carried out a programme of visits in the United States organised by the Embassy and Consular posts. This comprised engagements in New York, Washington (DC), Harrisburg (Pennsylvania), and San Francisco, San Jose, San Diego and Los Angeles (California).
- In the course of my visit I had the opportunity to meet a 2. number of those particularly concerned with protecting and advancing our interests through the United Kingdom official machine in the United States. These included Mr Ritchie and his IDB staff in New York, the Consuls (Industrial Development) in San Francisco and Los Angeles, Mr Cooper-Cowles in the Embassy and Miss Janet McIver at BIS (New York). I was favourably impressed by the range of contacts they were able to deploy in setting up the programme.
- 3. The primary aim of this visit was to combat the MacBride campaign and explain the Government's policies to achieve and sustain fair employment in the Province. I also sought to report progress on the work of the International Fund, to promote interest in an OPIC mission to Northern Ireland, and generally to supply information and correct misinformation about the thrust and direction of Government policy in Northern Ireland.
- It is seldom easy both to act as advocate and to provide a comprehensive report on all that has been said. I will be receiving in due course notes taken by some of those who accompanied me on the various visits, and will circulate detail from these as required. At this stage I seek only to record overall impressions and to draw some broad conclusions, particularly about the MacBride issue and the resources available to cope with it.
- 5. The engagements I carried out may be divided into the following categories: -

CONFIDENTIAL

(a)

Political/Governmental: These included (in Washington) Congressman McHugh (Democrat, New York) and Congressman Donnelly (Democrat, Massachusetts); aides to the House Majority Leader, to the Senate Foreign Relations Committee, to Senator Moynihan and to Representative Joseph Kennedy II; Jim Wilkinson (Deputy Assistant Secretary of State for Europe) and other senior officials at the State Department, at USAID and OPIC; (in New York) Ned Regan (Controller of New York State); (in Harrisburg, Pennsylvania) Mat Ryan (Republican leader of the State House of Representatives), Tom Murphy (a sponsor of the MacBride Legislation in that House) and a well-attended joint caucus of the two Parties in the House of Representatives; Tom Foley (Deputy Secretary of the Pennsylvania Department of Labour and Industry); (in California) Tom McEnery (Mayor of San Jose) and Assemblywoman Lucy Killea (Chairman of California State Assembly Standing Committee on International Trade and Intergovernmental Relations).

- (b) Media: I was interviewed by "Irish America" Magazine and an Irish American radio station in New York, and had meetings with senior editorial staff of the Wall Street Journal, San Francisco Chronicle, San Francisco Examiner and Los Angeles Times.
- (c) <u>Industrial</u>: The Director of IBB invited a number of contacts to meet me over lunch in New York.
- Miscellaneous: I had breakfast in Washington with Martin Burke, Political Counsellor at the Irish Embassy, and others I met included Paul Quinn (Co-Chairman of the Committee for a New Ireland), the Honourable John Moore (a former US Ambassador to Ireland), Judy McLennan (President of the Belfast Children's Programme), Monsignor Murray (of the Archdiocese of New York), Mrs Clara Menaldino (of the Friends of Van Cliburn Foundation, who are involved with the forthcoming premier of Barry Douglas at Carnegie Hall), and members of the Irish Forum's Board of Directors. I was also, on the spur of the moment, invited to address the Chamber of Commerce in Harrisburg (Pennsylvania).
- 6. In the various briefing sessions, I tried to give a comprehensive picture of security, political, economic and other developments in Northern Ireland. I underlined the new consciousness throughout Ireland of the terrorist threat level. On MacBride I placed heavy emphasis on the views expressed by John Hume and others about the counter-productive effects the campaign was likely to have, but was at great pains to stress that we were not complacent about the underlying situation, but rather determined to take our own firm and credible steps to deal with it. I had the opportunity to discuss the line underlying the Secretary of State's letter with HM Ambassador. He had only just received it, but I am

confident those closely concerned in the Embassy will support our approach.

Some Conclusions

- 7. On MacBride/Fair Employment I conclude that:
 - (a) we need to be sure we have adequate resources in DED both to carry forward the legislative proposals with the utmost sense of urgency and to support US companies and combat MacBride where it seems useful to do so. I am totally convinced that we can prevent the MacBride Legislation reaching the statute book, or at worst influence its form, in key States. In Pensylvania, for instance, Representative Ryan was confident that he could win. Representative Murphy was disposed to argue that we should deal on wording. I do not think we should be drawn prematurely into "deals" which imply a certainty that legislation will pass. Assemblywoman Killea remains quite optimistic that we can see off legislation in California. But Congressman Donnelly warned that we should not be complacent about Congress, particularly in the run-up to a Presidential Election.
 - (b) we should pursue the idea of a single system of monitoring acceptable to States which have legislated along MacBride lines. I canvassed this idea with Controller Rgan who was emphatically of the view that it would be worthwhile. It would, however, come better from US company sources than from our Government. Although bound by his own State law, Controller Regan remains firmly of the view that it is wholly wrong in principle for separate States of the Union to be adopting their own "foreign policy"; and basically believes that the British Government should not do too much to take such activities under its notice.
 - (c) we will continue to be vulnerable until credible proposals of our own are in the open. Until these are on the statute book, we must take the maximum advantage of work to bring the public sector into line with the NICS. and any successful efforts to persuade US companies to anticipate what will become the new statutory standards.
- 8.. On the <u>IFI</u>, while official Washington (as illustrated by the First Annual Report to Congress) understands and appreciates the cautious approach of the Board, there is no doubt that at the political level it will be increasingly desirable to be able to point to concrete results on the ground. I received the impression that if the Board wanted to shift the emphasis a little bit from the purely developmental to the broader reconciliatory theme, they would receive a not unsympathetic reception.

At. OPIC I was originally to have met Craig Nalen, the President, but he was delayed at the State Department lunch for Mr Gorbachev (for whom, appropriately enough, the red carpet was out when I arrived at Foggy Bottom!). However, after a useful discussion with his senior associates, he was courteous enough to telephone me in the car as I made my way to the next engagement. I think that the auguries for an OPIC business mission later this year (perhaps late September/October) are good; and I pressed Mr Nalen himself to call here on a trip to Europe planned for April. This I hope he will do. In California Assemblywoman Killea indicated that those who had taken the negative line of resisting MacBride would like to be proposing something positive. I suggested to her that if an OPIC mission to Northern Ireland (and presumably to the Republic as well) is mounted, she and others well-disposed to us might use their contacts to encourage some Californian participation.

- 10. I find that the thriving City of San Jose (now with as large a population as San Francisco) is "twinned" with Dublin and that Mayor McEnery is trying to make this a practical and not just a cosmetic matter in terms of business development. It would, I think, be worth pursuing the possibility of "twinning" Belfast with one of the Silicon Valley communities.
- 11. Overall, I found the visit encouraging. Of course there remains an active and virulent pro-IRA lobby in the United States (Representative Ryan, in Harrisburg, spoke to me of the threatening and abusive telephone calls he had received for his anti-MacBride line). But even in Irish-American circles there are many politicians and others suspicious of MacBride, and US commercial interests generally are very wary of such interference with their freedom of operation internationally. A great deal, however, will depend on our appearing to work in double harness with the Irish. I am more than ever persuaded that Mr Haughey's current unhelpful attitude on MacBride is now the single most damaging factor on this front, and that we must do our utmost, once we have credible proposals ready to announce, to "sew up" the Irish to support them as the best and only jointly acceptable means to ensure equality of opportunity in Northern Ireland.
- 12. Finally, a last word about resources. We are very lucky to have in the Embassy as energetic and enthusiastic an officer dealing with Northern Ireland business as Mr Cowper-Coles. But it is striking that he is supposed to combine this role with a major reporting role on US politics, including, for example, an assessment of the various Presidential candidates. I think it

is going to be very difficult for anybody to do one of these jobs without neglecting the other; and I do wonder whether it would not be useful to have in the Embassy in Washington, possibly seconded from the NIO or the NICS, a person who would be solely occupied with Northern Ireland affairs there.

18. P. Blum J)

K P BLOOMFIELD 14 December 1987