

Mr Chesterton - B

PS/Sir K Bloomfield - B
Mr Burns - B
Mr Miles - B
Mr Bell - B
Mr J McConnell - B

IF THE SDLP/SINN FEIN TALKS END

1. Our current political strategy might have to move into a different gear if the SDLP/Sinn Fein talks end. There are some indications that the talks might come to an end in the near future. Our understanding is that the two party leaders are likely to meet again this week. We therefore need to examine what actions Ministers might take if the talks appear to have ended. What follows is designed to serve as a basis for briefing Ministers over the next few weeks, if the need arises. Much of what follows will be familiar territory, but our traversing of it has not benefited from much prior discussion with PAB or others, and I should welcome comments.

Recent Developments

- 2. The leaders of the SDLP and Sinn Fein last met on 11 July. In contrast to all but the first of the series of meetings, Mr Hume and Mr Adams were unaccompanied by other members of their parties. A press statement, issued a full week after the meeting took place, said that "it was agreed at this stage of the dialogue that each side would conduct a thorough review of progress to date. This review will be on the agenda for the next meeting between Mr Adams and Mr Hume". The review of progress and the fact that the latest exchanges involved only the leaders may suggest that the dialogue is about to come to an end.
- 3. The Falls Road bombings on 8 July led some in the SDLP to voice disquiet about the talks with Sinn Fein. West Belfast councillor Alex Attwood challenged Mr Adams to condemn the attack without reservation; failure to do so would, he said, "raise doubts about Adams' good faith in the current SDLP Sinn Fein talks. This bomb

SECRET



is a critical opportunity for Sinn Fein to prove conclusively their interest in and commitment to politics". His fellow West Belfast councillor, Dr Joe Hendron, said his "gut reaction would be to stop the talks"; only "on reflection" did he believe it was right for the talks to continue, if there was a prospect that such discussions could end the violence.

- 4. The IRA bomb attack at Killeen on 23 July brought further calls for the SDLP to end the talks. The deputy leader, Seamus Mallon, gave a strong indication in comments to the press that the future of the talks would depend on the Sinn Fein leadership's disowning the IRA's campaign of violence; in a recent private conversation with Dr Mawhinney, Mr Mallon said he believed the next meeting would be the last (PS/Dr Mawhinney's minute of 25 July refers).
- 5. Against this background, it would be prudent now to plan on a contingency basis for the ending of the talks. In so doing, it is important that we bear in mind that the talks could come to an end in a variety of different ways, and that we will have a number of different interests to take forward and protect.

Possible Scenarios

6. The possible scenarios range in theory from, at one extreme, acceptance by Sinn Fein of the SDLP thesis to, at the other extreme, a complete breakdown amid public disagreement. In between there is a wide range of other possibilities, including an apparently inconclusive end to the discussions; an agreement between the two parties to explore some other joint approach to finding a solution to the Irish problem (such as, the pan-nationalist conference idea, but there could be others); or an agreement to explore a joint approach to some lesser objectives (fair employment and security issues being identified recently by Sinn Fein's Danny Morrison as potential areas for such an approach). The most likely scenario would seem to be that the ending of the talks will not be clear cut.

- 7. There is also the question of how the Unionists will react; they could respond in a variety of different ways:
 - i they could agree to proceed quickly to inter-party talks with the SDLP and HMG (but this seems highly unlikely); or
 - they might accept that the obstacle posed to inter-party talks by the SDLP/Sinn Fein talks had been removed, but bring their other "preconditions" to inter-party talks to the fore; or
 - iii they might deny that the SDLP/Sinn Fein talks had really ended, and stress that, in any case, the other obstacles to inter-party talks would need to be addressed; or
 - iv they might refuse to proceed to inter-party talks, but agree to resume bilateral meetings with the Secretary of State.
- 8. We cannot entirely exclude the possibility that the Unionists might react with a display of triumphalism or a tirade of abuse aimed at the SDLP for having engaged in talks with Sinn Fein in the first place. Such displays might just possibly accompany any of the reactions at <u>i</u> to <u>iv</u> above, but could poison the political atmosphere, thus damaging the prospects for any inter-party talks.

Interests and Opportunities

- 9. If the talks do come to an end, HMG will have a number of different interests to take forward and protect:
 - i with the SDLP depending on the circumstances of the ending of the talks we might find ourselves:
 - a seeking to follow up a genuine prospect of an end to violence (but this seems an unlikely scenario);

SECRET

- b responding to a request from John Hume that we should back up his own statements about HMG's "neutrality" in NI; or
- c inviting Mr Hume and his colleagues in to clarify developments and pave the way for the start of inter-party talks.
- ii with the Unionists we should want to take advantage of the fact that the ending of the SDLP/Sinn Fein talks will apparently remove the obstacle which Unionists have been saying stands in the way of their talking to the SDLP.

In short, there may be opportunities for HMG to take, as well as questions for us to respond to.

Action by HMG

10. The need for action by HMG arises in two respects: first, our response to any request by Mr Hume for HMG to make clear that it has no strategic or economic interest in Northern Ireland and is effectively "neutral". Secondly, if the talks end in such a way that we are in a position to argue that the obstacle to inter-party talks has been removed, we need to be ready to act to bring about the talks that we seek, if not immediately, at least in the near future (which probably means early September, in practice).

A "Neutrality" Statement

11. There have been suggestions that Mr Hume might press us to make a statement, emphasizing our effective 'neutrality' in Northern Ireland. Suggestions for such a text (drawing on an earlier draft of Mr Miles') are at Annex A. The terms of such a statement would be easier to decide once we have a specific request, if any is to be forthcoming, and can guage better the purpose and likely effect of such a statement. To the extent that we simply restate existing

policy, there is no great problem about making such a statement. But if we go any further - or appear to be going further - that may cause a problem with Unionists, and we need to be sure that the potential benefits are likely to outweigh any risks.

Inter-party talks

- 12. The circumstances in which the SDLP/Sinn Fein talks come to an end will of course be important: the most probable scenario is that the ending of the talks will not be clear cut. But even if it is fairly clear that high profile (and frequent) meetings at senior level will not feature for a period, the NIO, we suggest, should not feel deterred from taking the line in public that the obstacle to inter-party talks has been removed (if we can legitimately claim that), and that we do wish to see such talks begin.
- 13. Our most immediate task will be to guage the reaction of the Unionists to the ending of the talks: on this front we could wait for the Unionists to make their views known through the media or via informal contacts eg with PAB; but there would be advantage in the Secretary of State (or in his absence perhaps PUS or Sir Kenneth Bloomfield) speaking directly with Dr Paisley and Dr Molyneaux about their reactions to any developments. We could follow up this contact with a formal discussion between the Secretary of State and the Unionist leaders, if they agreed.
- 14. In the best of all possible worlds the Unionist leaders would accept that the obstacle to inter-party talks had been removed, conveniently "forget" their other preconditions and agree to proceed quickly to a multi-lateral discussion. If such a scenario arises, I suggest we should seek to broker with the Unionist leaders the terms and timing of an invitation to talks about the future government of Northern Ireland to be issued to the four main constitutional parties. Suggested points to make to them are at Annex B. However, such a benign scenario seems most unlikely to arise.
- 15. A more probable scenario is that the Unionist leaders will bring their other preconditions for inter-party talks to the fore: that

is, the suspension of the workings of the Anglo-Irish Agreement. We need to plan how we might respond.

"Suspension of the Agreement"

- 16. The Secretary of State has been over this ground many times in the course of his discussions with the Unionist leaders. He has explained why HMG remains fully committed to the Agreement and the Unionist leaders have made equally clear their own views. We have also made clear that we are prepared to operate the Agreement sensitively to allow inter-party talks to take place. There seems little point in crawling over this sterile ground again, but it may be all we can do. We suggest that the Secretary of State should not hesitate to confirm again HMG's commitment to the Agreement whilst emphasising his willingness to operate the Agreement sensitively to allow talks to proceed; a line to take is at Annex C.
- 17. A more positive approach and one which might just allow the Unionist leaders to slip off their hooks would be to concentrate on the Unionists' insistence that HMG should be prepared to consider an "alternative" to the Agreement, and our own commitment to "talks without preconditions". In the debate on Interim Period Renewal on 29 June, Mr Molyneaux said:

"However, [Mr McNamara].... said that he was quite prepared to consider an alternative agreement, a wider and more workable agreement. (Dr Paisley) will agree that he and I have been saying that privately and then publicly for 10 months. We have said that our two parties are prepared to be positive. We are prepared to assist, to make our contribution to the design of a much wider, more workable and more practical agreement".

18. Mr Molyneaux's speech harks back to the Secretary of State's earlier talks with the Unionist leaders. At the meeting on 11 May the Secretary of State was able to agree with the Unionist leaders a potentially useful formula on the question of our willingness to consider an "alternative" to the Agreement: that is, that the

Secretary of State would say that the Unionists were free to put forward any proposals they wished; the Unionist leaders would explain that they were putting forward ideas as an alternative to the Agreement; and, if challenged by the media, the Secretary of State would respond that he was setting no preconditions on the ideas which the constitutional political parties might put forward. This formula offers the best approach currently available to the Unionists to slip off their hooks; but the Unionists may be loath to take advantage of it. We suggest that the Secretary of State should do all he can to encourage them: a line to take is at Annex D. This should fit in with our approach to the Article 11 review.

19. If the Unionists continue to insist upon the suspension of the Conference and Secretariat before inter-party talks can take place, we might be able to point to a "natural" break in Conference meetings in August early September (and the implications of that break for the work of the Secretariat) as providing a "window of opportunity" for inter-party talks, before the Article 11 Review moves to centre stage. But such an approach may, in practice, now be denied to us.

Fall-back Position

20. If the Unionists are not prepared to respond positively to the suggestion that the ending of the SDLP/Sinn Fein talks has removed the obstacle to inter-party talks, the Secretary of State will wish at the very least to keep open channels of communication. If the Unionist leaders are not ready to progress to multi-lateral discussions, we want them - as our fall-back position - to agree to further bi-lateral contacts.

Conclusions

21. In the event that the talks do come to an end after the next meeting, HMG will have a number of different interests to take forward and protect. I suggest that we might advise the Secretary of State - depending on the precise circumstances - to take the following action:

- a make a statement (on the lines of Annex A) about HMG's
 "neutrality", if we are satisfied that this could be
 worthwhile.
- b if the ending of the talks is not clear-cut, the Secretary of State should invite the SDLP in to clarify developments and pave the way for the start of inter-party talks.
- c if the talks end in circumstances that enable us to claim that the obstacle to inter-party talks has been removed, the Secretary of State should have an early word (by telephone if necessary) with Mr Molyneaux and Rev Paisley to guage their reactions to the ending of the talks, and their willingness to proceed immediately to inter-party talks with the SDLP and HMG.
- if the Unionist leaders are prepared to proceed to inter-party talks, the Secretary of State should seek to broker with them the terms and timing of an invitation to talks (points to make at Annex B).
- if the Unionist leaders are not prepared to proceed to inter-party talks but bring their other preconditions to the fore, the Secretary of State should invite them in for a <u>further bi-lateral discussion</u>. The Secretary of State should use any such meeting to <u>encourage the Unionist leaders to use the formula on an "alternative" to the Agreement agreed with them at the 11 May meeting; a line to take is at <u>Annex D</u>.</u>
- if the Unionist leaders continue to insist upon their preconditions being addressed, the Secretary of State should confirm HMG's commitment to the Agreement, whilst emphasising his willingness to operate the Agreement with sensitivity to allow talks to proceed. (Annex C).

- g if the Unionist leaders are not prepared to proceed to multi-lateral discussions, we want them as a <u>fall-back</u> <u>position</u> to agree to <u>further bi-lateral contacts</u>.
- 22. It may be, however, that the SDLP/Sinn Fein talks will come to an apparent end while the Secretary of State is on leave. we do not then want to give the impression that we have entirely shut up the political development shop, particularly if there is interest in the Government's position. It may be that Sir Kenneth Bloomfield should, in these circumstances, seek to have a discreet word with the Unionist party leaders, reminding them of the Secretary of State's 'invitation' to inter-party talks and discouraging them from closing any doors in public, until the Secretary of State has an opportunity to talk to them. We might want a similar 'holding line' with the press. I shall let you have a draft note to the Private Office.

(SIGNED)

D C KIRK Constitutional and Political Division 2 August 1988

ANNEX A

BRITAIN'S 'NEUTRALITY' ABOUT NORTHERN IRELAND'S FUTURE

Northern Ireland remains an integral part of the United Kingdom, because that is the clearly expressed wish of a majority of its citizens. It is not because the British Government has some ulterior or selfish motive which requires Northern Ireland to be part of the United Kingdom. There is no overriding strategic or economic interest which requires the Union to be retained. It is quite simply the democratic choice of a majority of the people who live in Northern Ireland, and whose ancestors have lived there for centuries.

The Anglo-Irish Agreement makes clear that our position is based on the principle of consent, and that principle is fully accepted by the Irish Government. Thus there will be no change in the status of Northern Ireland without the consent of a majority of its people. If in the future, however, a majority were to wish for a united Ireland, the two Governments would take the necessary steps to give effect to that wish. But as the Agreement also makes clear, the present wish of a majority is for no change in the status of Northern Ireland.

The consent of the people is thus fundamental to our position. That consent - whether to remain part of the United Kingdom or to unite with the Republic of Ireland - can only be given freely and democratically. Violence from either side of the community cannot be allowed to decide Northern Ireland's future. For its part the Government is determined to uphold the freedom of the people of Northern Ireland to express their political views democratically and to seek to build a more peaceful and prosperous society. The Government does not seek to determine what those political views should be: to that extent, we are neutral; but we cannot be neutral about a terrorist campaign of violence which seeks to remove the democratic right to make a fundamental political choice.

ANNEX B

POLITICAL DEVELOPMENT: THE NEXT STEPS

Points to Make

- (a) You will have seen the recent statement by the SDLP that their talks with Sinn Fein are at an end. I hope you will agree that this has removed the obstacle to a constructive discussion involving the SDLP as well as the Government and Unionists, and that the way is now clear for an early start to such talks?
- (b) The Government remains committed to a policy of seeking movement to or towards devolution. There would be substantial benefits to be gained for the whole community if greater political stability, and greater local control of local affairs, could be brought about.
- (c) My talks over recent months suggest that all the constitutional parties share a common concern to make progress towards devolution, and that there may be substantial common ground between the parties. All attach importance to the Anglo-Irish relationship. And there is a shared acceptance that only through a dialogue between the parties can progress be made.
- (d) As I said in the Direct Rule renewal debate on 29 June, I believe the next step is inter-party dialogue about the future government of Northern Ireland. I wish now to carry forward our dialogue by inviting you and the other political leaders to a meeting with me to discuss the way forward. Both the SDLP and the Alliance Party appear to be willing to meet you to discuss the political way forward. I am not at this stage proposing a 'conference' or 'negotiations' simply a means by which our existing

dialogue might be carried forward and developed. Do you have better suggestions?

- (e) I should make absolutely clear that I am not setting any limits or pre-conditions to further discussions. I do not want to rule out any political structures on which agreement might be reached. You and your colleagues would of course be free to put forward any proposals you wish.
- (f) [If the Unionist leaders are prepared to go forward in this way]: I should like to discuss the terms and timing of an invitation to you and the other political leaders to a round table meeting. I should like to ensure that it does not cause you or the other parties any difficulties when it issues.
- (g) I am ready to be guided by you and the other parties on the best means of developing our dialogue. I have in mind a fairly informal exploration of views of the parties round a table. But I expect that you would wish to involve one or two others from each of your parties.
- (h) You have, of course, already, made a number of important proposals in your <u>outline paper of 26 January</u>. Would you wish to tell the other parties your proposals at our forthcoming meeting? Or earlier?
- (i) [If the Unionist leaders refuse the invitation]: There is a shared acceptance amongst all the constitutional parties that only through a constructive dialogue between the parties about the future form of government of Northern Ireland can progress be made. I have proposed a means by which our existing dialogue might be carried forward. I am willing to continue to explore your ideas on the process by which dialogue might be carried forward. Would a further bi-lateral meeting be helpful?

ANNEX C

SUSPENSION OF THE WORKINGS OF THE ANGLO-IRISH AGREEMENT

Points to Make

- (a) We have been over this ground many times in the course of our discussions. I have explained why the Government remains fully committed to the Anglo-Irish Agreement. (The principles embodied in it are fundamental to Northern Ireland's future. Those principles include: majority consent in determining the constitutional status of Northern Ireland; the need for a joint effort with the Republic of Ireland to eradicate terrorism; reducing the estrangement of the nationalist minority; and the involvement of locally elected representatives in new political structures).
- (b) You and your colleagues have made equally clear to me your own views about the Agreement. I have made clear that we are prepared to operate the Agreement sensitively to allow inter-party talks to take place: (there may now be a natural break in Conference meetings until at least mid-September). The Secretariat at Maryfield exists to service the Conference: (with the Conference on "holiday" there are obvious implications for the work of the Secretariat).
- (c) Is there not now a window of opportunity for inter-party talks?
- (d) The forthcoming Article 11 Review pre-supposes at least the possibility of changes in the working of the Conference; and I am not setting any limits or preconditions for our further talks. You and your colleagues would be free to put forward any proposals you wish.

ANNEX D

AN ALTERNATIVE TO THE AGREEMENT

Points to Make

- (a) We have been over the question of the Agreement many times in the course of our discussions. I have explained why HMG remains fully committed to the Agreement, and you have made your own views equally clear. I have also said that any wider discussions between the parties should take place without preconditions: I think this approach offers a potential way forward.
- (b) In the course of our meeting on 11 May we agreed a formula. That is, that we would say that Unionists are free to put forward any proposals they wish; that you would continue to say that you were putting forward ideas as an alternative to the Anglo-Irish Agreement; and that we would respond as necessary that we were setting no preconditions as to the ideas which constitutional political parties might put forward.
- (c) Given that the ending of the SDLP/Sinn Fein talks has removed the obstacle to inter-party talks, is this formula not sufficient to enable the two Unionist parties to proceed to such talks? I wish to make it absolutely clear that I am not setting any limits or preconditions for our further talks: you and your colleagues would be free to put forward any proposals you wish.