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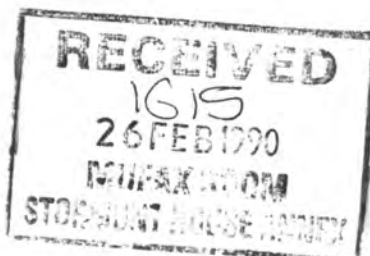


10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

23 February 1990



✓ PB 26/11

See Staple.

NORTHERN IRELAND: POLITICAL DEVELOPMENT

The Prime Minister has read with interest the Northern Ireland Secretary's minute of 22 February describing recent political developments in Northern Ireland. I confirm that she is content with the position reached so far. She looks forward to seeing proposals from the Northern Ireland Secretary for the way ahead.

I am sending copies of this letter to Tim Sutton (Lord President's Office), Stephen Wall (Foreign and Commonwealth Office), Colin Walters (Home Office), Simon Webb (Ministry of Defence), Juliet Whelden (Law Officers' Department) and to Sonia Phippard (Cabinet Office).

your friend

Charles Powell

- 1) Mr Pope
- 2) cc PS/SGS (B) - M
PS/MGS (L+B) - M
PS/Dr Maitland (L+B) - M
PS/PUS (L+B) - M
PS/Sir K Bloomfield - M
- Mr Burns
Mr Thomas
Mr Miles - M
Mr Kirk
Mr J McConnell-PAB - M
Mr Daddo - M
Mr Blackwell

3) Mr Leach

4) SGS to see.
Stephen Leach Esq

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PRIME MINISTER



E.R.

Hidden copies

PS | S. of S. (L+B)
PS | M. of S. (L+B)
PS | Dr. Mawhinney (L+B)
PS | PUS (L+B)

1. PS | Sir K. Bloomfield ^{24/}

Mr. Burns

Mr. Thomas

Mr. Miles

Mr. Kirk

Mr. J. McConnell

Mr. Dodds

Mr. Blackwell

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PRIME MINISTER

NORTHERN IRELAND: POLITICAL DEVELOPMENT

I said in my minute of 15 January that I would report further once I had taken the Irish through the various steps which are likely to be needed to bring about political talks, and had a clearer picture of the prospects for getting such talks under way during the spring.

2. I have since had a meeting (on 19 February) with the two Unionist leaders, Mr Molyneaux and Dr Paisley, to discuss the prospects for moving towards the interparty talks, and two meetings with an SDLP team led by Mr Hume; and Brian Mawhinney has had a further meeting with the leader of the Alliance Party, Dr Alderdice. I have also had two informal discussions with Mr Collins (most recently on 21 February) about the prospects for encouraging political progress in Northern Ireland.

3. The initially positive reaction to my 9 January speech has been reinforced by indications that leading figures in all the main political parties in Northern Ireland are interested in bringing about talks on the arrangements for exercising political power in Northern Ireland within the United Kingdom. The Alliance Party has produced a brief annotated agenda and the SDLP has agreed to produce a similar document. All four main parties in Northern Ireland (the two Unionist parties, the SDLP and the Alliance Party) are known to be reviewing their negotiating positions. The hurdle we have yet to surmount is to persuade the two Unionist leaders, Mr Molyneaux and Dr Paisley, to overcome their instinct for inertia and begin to think seriously about the steps which are necessary before talks could start - thinking that is well under way at other senior levels in both their parties.



4. In my meeting with them on 19 February I gained the clear impression that, if talks can be started, they will be much more flexible than their posture now might suggest. Of course, they are conscious that Northern Ireland has historically been unkind to politicians showing premature willingness to compromise, and they naturally wish to preserve their hand until negotiations. But they realise that if they emerge from negotiations without securing agreement their position - and in particular their resistance to the Anglo-Irish Agreement - would be considerably weakened, since a substantial part of their present grievance is that it was negotiated over their heads. They accordingly have a considerable incentive to be constructive, if talks begin. I am impressed too by the extent to which they now in effect accept a similar agenda to the nationalists: that is, they too look to reach an internal political accommodation alongside a new understanding (replacing, as they would see it, transcending, as John Hume would see it, the present Agreement) on the two external dimensions: relations between a devolved Government and the Republic, and between London and Dublin.

5. Though the SDLP is also careful to preserve its hand, I believe that they too in negotiations would prove more flexible than some, including the Unionists, fear. Because of the fear, on their part, of being outflanked by Sinn Fein they do not wish to acknowledge too loudly their acceptance that an internal (or 'partitionist') settlement may be the necessary next step. The constitutional nationalists will accordingly, I believe, demonstrate a willingness to compromise once they accept that the Unionists are also engaged in a serious political exercise, and not mere posturing.

6. It is perhaps also worth mentioning some recent moves by Sinn Fein. Mr Martin McGuinness - known to be on the harder end of the Republican spectrum - recently made a speech challenging me to explain how the British Government might respond to a ceasefire. I gave this the necessary rebuff. But the incident may be of some significance. Sinn Fein/PIRA could be either trying to wreck the



present signs of political movement, or showing signs of concern about their isolation from the process. I suspect it is the former rather than the latter. But what seems to me significant is PIRA/Sinn Fein's clear appreciation that political movement poses a threat to their position. If an accommodation is reached between the two communities, and involving also in some way the Irish Republic, PIRA/Sinn Fein stand to be further marginalised.

7. Against this background, I believe that we are right to continue the pursuit of political progress, though a successful outcome clearly cannot be guaranteed. It remains important that we proceed in a way which does not endanger those achievements we have, including of course the Agreement, and which does not create turbulence which the terrorists and others might seek to exploit. My judgement remains that we should continue our attempts to carry this matter forward.

8. A crucial question concerns the Unionist pre-conditions. Despite what they told the press afterwards, I made it plain in the meeting that there is no question of accepting these pre-conditions as stated. We cannot agree to a suspension of the Agreement or of the Secretariat. But I believe they would settle for less. The pressures on the leaders to bring their parties into talks are such that these preconditions have already been significantly watered down, and I believe that the two Governments can now, without any sacrifice of principle, make a gesture which might be sufficient for talks to start. At the very least this would demonstrate that it was the Unionist leaders, not the two Governments, who were being intransigent.

9. As regards the Unionist preconditions more specifically, the two Unionist leaders have (as I mentioned in my minute of 15 January) already been brought to acknowledge that their first pre-condition (an acknowledgement of the two Governments' readiness in principle to consider any proposals that might be put forward for an alternative Agreement) is no obstacle in the light of my 9 January



speech and the statement from the Taoiseach on 22 January: in response to a direct public request from two leading Unionist politicians, itself a sign of growing flexibility and readiness to find a way into talks, he said that 'if a new and more broadly based agreement can be reached by direct discussions and negotiations between all the parties involved, the Irish Government would be prepared to contemplate, in agreement with the British Government, a new and better structure, agreement or arrangement, to transcend the existing one'. The other main Unionist pre-condition is that there should be a period of 'non-operation' of the existing Agreement, to allow talks to get under way. I mentioned in my earlier minute that Mr Collins and I were in the process of agreeing dates for Conference meetings over the next six months. After the March meeting, we shall agree to meet in April, with a possible gap then until July. The main issue is how such a gap might be described. I have in mind the possibility of our saying that the dates of the relevant meetings, including of course the date of the meeting at the end of the gap, have been arranged to assist the orderly planning and conduct of business. We might however go on to say that the two Governments also had in mind the opportunity that the interval between meetings might provide for political progress within Northern Ireland. As long ago as last August Paisley said that if the Unionists had known there was going to be such a long gap between Conference meetings last summer, it could have been used to start talks: I would like to challenge him to live up to that.

10. The Unionists also look for the suspension of the Secretariat. I do not myself see how we can meet them directly on this. But some gesture may be enough. Paisley and Molyneaux stated on Monday that the first precondition eclipsed the others in significance. Already some Unionist leaders now appear to be preparing themselves to claim that if there is a gap in Conference meetings the Secretariat would not be 'going full belt'. They would argue, incorrectly, that as the Secretariat was set up to service the Conference it would in effect be inoperative if the Conference were not meeting. I would be content with the position where we did not



challenge a Unionist claim of that kind. I would also be prepared myself to make clear, which would be the case, that if political talks begin the head of the British side of the Secretariat (who also heads our political section in Belfast) would be significantly occupied on work in connection with these talks. I am myself clear that we could not go much beyond this. There is a reasonable prospect that the Unionists will accept it, particularly on the basis that our willingness to contemplate modifications to the Agreement in the context of an overall political settlement meets their main concerns: and I would hope that the Irish and the SDLP would accept that there would be no diminution in fact of the Secretariat's role or importance.

11. I have now had two useful exploratory meetings about this with Mr Collins, though I have refrained from anything which could be characterised as negotiation. At my last meeting I agreed that our officials should meet again to identify clear options for Ministerial consideration. I hope that, in the light of those exchanges, I may have a clear proposition for you and other interested colleagues to consider.

12. The Irish Government would like to see progress towards a political accommodation, and indeed they are committed by the Agreement to support our policy to devolve powers within Northern Ireland. There is of course a deep-seated ambivalence, particularly on the part of a Fianna Fail government, about something which might pump life into the 'failed political entity'. However, they have so far shown some nervousness, no doubt partly prompted by Mr Hume, and concern on two points: whether there are sufficiently good prospects of progress to justify carrying matters forward, and whether that can be done, without our having to pay too great a price specifically on the 'Unionist pre-conditions'. As I have already indicated I believe their concerns, which are also concerns for us, can be met. It is, in particular, important that the Irish understand that we have no intention or wish to abandon the Agreement or to put it at risk. I think Mr Collins is personally



willing to support us in trying to make progress - and Mr Haughey, whether sincerely or not, has talked in public of wanting to make progress for its own sake.

13. The Irish are also, unsurprisingly, concerned about the format any talks might take, and more specifically about their own role. I have made it clear to them that I could not accept their direct participation in talks about internal political arrangements in Northern Ireland. Apart from our own views, I cannot believe that the Unionists would accept this. Under the Agreement, the Irish do however have the right to put forward views and proposals on the modalities of achieving devolution, insofar as this affects the minority community. But the Irish would certainly need to be involved in any discussions about relations between a new Northern Ireland administration and the Republic, or in any discussion of the implications for relationships between the two governments; and the Unionists appear to acknowledge this. It is clear that any talks will therefore need to have, though not necessarily at the same time, three strands, the primary strand being talks between the Northern Ireland parties and the Government about arrangements for governing Northern Ireland and relations with Westminster (for example in relation to security and other 'excepted' matters, fiscal freedom and any financial subvention, and our international obligations). If these talks make progress it will at some stage become appropriate for talks to take place between the Northern Ireland parties and the Irish Government (and probably ourselves) about 'North-South' relations; and the outcome of both sets of talks may have implications (or may give rise to proposals from the Northern Ireland parties) which we would need to discuss with the Irish Government. It seems probable that general agreement will only be reached when all three strands of talks have been concluded. It is on this basis that I shall be seeking, initially on an exploratory basis with the Irish, a common understanding on format for talks with which all parties and the Irish Government would be content.



14. I hope that you, and other colleagues, are content with the position we have reached so far. As I have indicated, I hope that the result of further exchanges at official level may lead to the identification of a clear proposition on which I shall seek colleagues' approval with the aim of reaching agreement with the Irish on an approach which can be tested with the Northern Ireland political leaders.

15. I am sending copies of this minute to Geoffrey Howe, Douglas Hurd, David Waddington, Tom King and Patrick Mayhew, and to Sir Robin Butler.

P.B.

PB

22 February 1990