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16/10

1. Mr. Hanrahan
2. Miss Tindley



FROM: I M BURNS, DUS (L) To note  
21 December 1989

2.1-90

Mr Thompson To see  
LPA. Their budget

is slightly more  
realistic than the  
£20k it was proposed  
to transfer over!

28/12

cc PS/Minister of State (B&L) - M  
PS/Mr Bottomley (B&L) - M  
PS/Dr Mawhinney (B&L) - M  
PS/Mr Needham (B&L) - M  
PS/PUS (B&L) - M  
PS/Sir K Bloomfield - M  
Mr Fell, DED - M  
Mr Hopkins, IDB - M  
Mr Semple, DFP - M  
Mr Chesterton - M  
Mr Small, DFP - M  
Mr Blackwell  
Miss Cooper, DED - M  
Mr Lavery, Estabs - M  
Mr Smyth, DFP - M  
Mr George, RID, FCO  
HMA Washington - FAX

PS/SECRETARY OF STATE (L&B) - M

#### NORTHERN IRELAND IN THE UNITED STATES

1. The Secretary of State will recall his meeting on 19 October with Dr Mawhinney and Mr Needham to discuss the proposals to set up a "Northern Ireland Unit" in the USA. He subsequently touched on the issue during his meeting with Sir Antony Acland, on 26 October. This minute, which I am submitting after discussing with Dr Mawhinney, reports that agreement has now been reached with the Embassy on setting up the Unit and seeks Ministerial approval for the arrangements outlined below.

#### Background

2. After Dr Mawhinney's visit to the USA in Autumn 1988, the then Secretary of State asked him to explore ways of building on the increasing willingness among Irish Americans to 'do something'

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NIO in USA

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that would help to alleviate the problems of Northern Ireland. Although constructive Irish American concern is reflected in such entities as the American Ireland Fund and the International Fund, there is evidence that the generation of Irish Americans who have now risen to senior executive positions in American corporations are also willing to help, if ways can be found.

3. In order to tap this mood, Dr Mawhinney concluded that it was necessary to institute a more formal method of managing and expanding our existing network of contacts in such a way as to offer scope for using such contacts for the economic benefit of Northern Ireland. The result was the suggestion that a new Northern Ireland presence should be established in the USA with the aim of giving a clearer (Northern) Irish accent to the presentation of Northern Ireland (many Irish Americans seem to feel that our message about Northern Ireland has greater credibility when it is put across by officials who themselves come from Northern Ireland), and ensuring regular and periodic meetings between our US contacts and Ministers and senior officials, along with effective follow-through on any suggestions for helping Northern Ireland.

4. This was a novel approach (not least because of the questions it inevitably raises about the relationship with the Embassy and Consulate-General, who already spend a great deal of time on Northern Ireland matters), and we have discussed it thoroughly with the Embassy. In developing an agreed proposal we have sought to avoid, among other dangers, so over-stressing the distinctive "Irishness" of Northern Ireland as to undermine the firmness of HMG's commitment to Northern Ireland as part of the UK. We also recognise the importance of avoiding any confusion about the Embassy's continuing responsibility for presenting Government policy by seeking to integrate the work of the proposed unit with the work of the Embassy and the Consulates-General while preserving suitable scope for capitalising on its Northern Irishness. The proposal as it now stands is necessarily

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imental, but I believe it is sensibly practical, and that it is very well the essence of the original specification.

Proposed arrangements

5. What is proposed is that a small Unit should be established in the Embassy in Washington on an experimental basis, its task being to conduct, over a period of 12-15 months, an activity-based feasibility study of the value and practicality of networking. For the purposes of the Unit, networking will be defined as 'the development of contacts in the Irish-American community with a view to creating more sympathy and understanding for Northern Ireland, and translating that sympathy into concrete economic benefits for Northern Ireland'. There may also be a further spin-off in generating political goodwill, which should not be underestimated.

6. The Unit would be staffed by two desk officers from NI (one Principal and a Deputy Principal). The staff will be seconded to Washington from the Central Secretariat (which is organisationally a part of DFP). They will have locally-recruited administrative/secretarial support. The FCO has agreed to consider whether it might handle the financial arrangements, recouping all the costs of the Unit from DFP. The likely costs of the Unit are set out in the draft budget drawn up by the Embassy (Annex A), and resources of this magnitude have already been set aside. The Embassy has offered to help with accommodation, allocation of office space, etc...

7. Formal responsibility will rest with the Central Secretariat and Sir Kenneth Bloomfield, but in view of NIO (SIL)'s existing role in presenting NI policy in the US NIO (SIL) will be the point of contact and the channel of communication whereby the unit reports to NIO/NIDs.

8. The importance of a clear and effective interface between

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the Unit and other NI agencies operating in the US (IDB, NI Tourist Development Organisation), with NI Departments and the NIO, and with the Embassy and posts in the US cannot be overestimated. The Unit's services will be available to all parts of the NI machine, especially DED and IDB, and the Unit will need to keep Embassy colleagues fully informed of what it is involved in. All its activities will be subject to the Ambassador's authority and it will come under his ultimate control (although he will delegate the day-to-day responsibility for overseeing the Unit). All these points are alluded to in the draft terms of Reference (Annex B).

9. Annex B also points out the need for clear objectives and performance criteria for the Unit. These will be worked out in detail in consultation with the Embassy and NIO (SIL) by the staff of the Unit, and will be embodied in the regular reports which the Unit will be expected to produce.

10. We are still giving consideration to the Unit's formal name (perhaps its original suggested title, "the Northern Ireland Bureau" would be the most appropriate) and are also arranging with the Embassy a means of providing the Unit with a distinctive identity (eg separate phone-line, calling cards, notepaper, etc.).

#### Way Ahead

11. In advance of actually trying out the idea, it is difficult to be certain of its value. But I believe that the potential advantage of such a unit, in the networking it could do for Northern Ireland, is considerable, and it would be wrong not to try with some determination to realise that advantage. The arrangements we have negotiated with the Embassy seem workable, and I believe there is sufficient goodwill both here and in the Embassy to enable us to surmount the inevitable teething problems.

12. The Secretary of State is invited to note the progress made

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and to agree that we should now proceed with the selection procedure to provide staff for the Unit (naturally, there will be a need to consult the Embassy and the FCO on the proposed candidates).

13. We will also need, at some point, to brief the Irish Government on the Unit's role, in order to avoid scare stories about semi-autonomous diplomatic representation, or about some sort of nefarious propaganda group. We will give further consideration to how this might best be done, but at this point it seems that the best method may well be a letter at official level between the NIO and DFA.

14. FCO officials have separately submitted the relevant papers on this topic to their Ministers to ensure that they are content.

*Kathleen Lickel*  
1P I BURNS  
21 December 1989

OAB 6447

DUSL/KR/13630

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## ANNEX A

## Draft Budget for

Northern Ireland Development Unit for one year

(\$1.57 = £1.00)

Personnel

- 1 X Principal
- 1 X Deputy Principal
- 1 X US Engaged Secretary (US5)

Salaries

1989 Salary

Principal (mid point of spine) £24,075

\$37,797.75

1989 Salary

Deputy Principal (mid point of spine)

£15,783

\$24,779.30

US Engaged Secretary - (US citizen tax included)

\$22,000 pa  
(gross)- (non-US citizen  
tax abated)\$19,100 pa  
(abated)

&amp; medical/life insurance

\$ 2,000 pa

Personal Allowances

Cost of Living Addition: £7,035 pa

X 2 = 14,070

\$22,089.90

Indirect Representational  
Supplement = £2,500 pa X 2  
+ \$5,000

\$ 7,850.00

**RESTRICTED****Current Accountable****Entertainment Allowance**

(may need to be supplemented)

for DS 5 officer = £4,048 pa

X 2 = £8,096

\$12,710.72

**Rent Allowances**

2 X \$ 2,200 pcm rent X 12

\$52,800.00

2 X \$ 400 pcm furniture X 12

\$ 9,600.00

**Estimates****Travel Budget**

\$25,000 pa

Office machinery start-up costs

\$ 6,000

Stationery

\$1,200 pa

Telephone, Fax, Postage, etc

\$7,500 pa

**Other Expenditure**

Education (per child:

\$4,000 pa

Maximum Government contribution to  
local school fees)**TOTAL estimated costs excluding**UK and local education, and medical,  
costs:

\$231,027.67

Margin for error of 10%

\$ 23,102.76\$254,130.44

ERNI + Superannuation  
10 - 15 K

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**RESTRICTED****NORTHERN IRELAND UNIT: WASHINGTON DC****ANNEX B****TERMS OF REFERENCE****Objective**

1. To assess the degree to which worthwhile opportunities exist for using networking to encourage Americans of good will to contribute to the economic development of Northern Ireland, and to report with 12-15 months.

**Methods**

2. The Unit will pursue that objective by acquiring and developing contacts among Americans, notably those of Irish descent, who may, directly or indirectly, be able to contribute to the economic development of Northern Ireland. It will help those contacts to identify trade and investment opportunities of benefit to Northern Ireland.

**Organisational relationships**

3. The Unit will be located in the Embassy in Washington, and its members will have diplomatic status. The Unit will, however, have a distinctive Northern Ireland identity, extending to such operational matters as telephone arrangements, notepaper, calling cards, etc.
4. The Unit will work closely with other elements of the British Government's representation in the United States, including the Consulates-General and Consulates, BIS New York, the Industrial Development Board for Northern Ireland and the Northern Ireland Tourist Board. It should consult any such official or semi-official body before engaging in activity in areas of the

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country and/or of work for which that body is primarily responsible; and ensure that all such bodies are kept closely informed of its activities. In turn, these bodies will keep the Unit fully informed of any developments likely to be relevant to its defined task.

5. As an element of the British Government's representation in the United States, the Unit will work formally to HM Ambassador, Washington. In practice, the Ambassador will delegate responsibility for day-to-day supervision of the Unit to the Head of Chancery.

6. The Unit will report through the Security and International Division of the Northern Ireland Office, who will in turn ensure that other Departments and official bodies are consulted about, and informed of, the Unit's activities. The Unit will be attached to the Central Secretariat of the Department of Finance and Personnel, and will be accountable to the Secretary of State for Northern Ireland.

7. The full costs of the Unit will be met by the Northern Ireland Department of Finance and Personnel.

**Performance Monitoring and Review**

8. The Unit will be established initially for an experimental period of 12-15 months. At the end of that period, its performance will be reviewed by the Northern Ireland Office, Department of Finance and Personnel and HM Ambassador, Washington and a decision taken on its continued existence.

9. The Head of the Unit will submit to the Northern Ireland Office, Department of Finance and Personnel and HM Ambassador within 3 months of the Unit's establishment, a work plan setting out objectives for the Unit's activity, together with suggested indicators for measuring performance in meeting those objectives.

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10. The Unit will also submit a report on its activities every 3 months to HM Ambassador and the NIO, in a form to be jointly agreed.

I am making last week. I undertake to draft a travel plan for the proposed posts in Washington. I now attach a draft and I will be grateful for any comments as soon as possible in the New Year, and preferably no later than 10 January).

I will circulate separately a draft giving more details about the posts, the likely allowances payable, and living conditions in Washington, which might serve as a response to any request from those who receive the travel for further information.

*Handwritten signature: Mary Connelly*  
M. G. CONNELLY  
STC Division  
23 December 1989  
226 045 6043

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