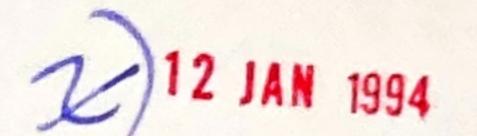
From: THE PRIVATE SECRETARY





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7 January 1994

Dear Rod,

NORTHERN IRELAND: TOUR D'HORIZON

In my letter of 5 January I promised to let you have the Secretary of State's assessment of the current state of play in Northern Ireland in relation to the Joint Declaration, and his thoughts on the way ahead. This is by way of an interim report; we have in mind a fuller strategy document to be ready for the Prime Minister's weekend box next week.

Reaction so far

Amongst the <u>Unionist community</u> in general there is, as always, a range of opinion but overall the mood is as good as we could have expected. The Declaration has been read and inwardly digested and while it is not seen as to the advantage of the unionist cause, many people in that community are prepared to give it a fair wind given that it holds out the prospect of peace. There remains however considerable unease about the question of self-determination and what it really means, and about the nature of the Government's exchanges with the Provisional movement.

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The two Unionist parties are playing it very differently, which may have significant longer term implications for the balance between them. The DUP continue to rail against the Declaration, as you will recall at Hillsborough; and they have now read the document! They represent it in colourful language as the "trickle of concessions begun by the Anglo-Irish Agreement turning into a torrent", while Peter Robinson just before Christmas accused the UUP of prostituting themselves to the Government by supporting the Declaration. Interestingly influential figures within the Loyalist paramilitaries are still unconvinced by the DUP rhetoric and are prepared to reach their own judgements in the light of developments. The signs are that both major Loyalist organisations would respond in kind if PIRA were to stop the campaign of violence, provided that there was no hint of hidden concessions to the Provisionals.

The UUP remain cautiously supportive, though publicly are taking a neutral line. They are laying the foundations for a prolonged propaganda battle with the DUP over the merits of their respective approaches to political development, the Joint Declaration and working with Government. Jim Molyneaux is adopting a high profile role in steadying his party's supporters around the Province and, much more than in the past (when Ken Maginnis and others were left to take the lead in internecine points scoring), he is prepared to "mix it" with the DUP. The UUP briefing line to party activists sets out the Prime Minister's assurances about what the Declaration does not contain; reflects general caution and unease about the Declaration and the process leading up to it; but advises against publicly debating parts of the document which cause concern as to do so would

the Declaration: and with seeking to demonstrate