DRAFT LETTER TO THE TAOISEACH

Thank you for your letter of 11 November. It is important that you and I keep in close personal touch about this important issue.

I am grateful for what you have done, at Brussels and subsequently, to protect my freedom of manoeuvre and to hold the line we agreed. I know you have been under pressure because of the expectations which have been raised. It is important that, as far as possible, the two Governments stand together. It is important that, in Brussels, we were able to establish such a clear basis for future work together both in the Joint Statement which we issued on 29 October and in our private talk. When we meet next month, we will need to demonstrate how we are following up the Joint Statement.

We agreed in that Statement that the two Governments must continue to work together in their own terms on a framework for peace, stability and reconciliation, consistent with their international obligations and their wider responsibilities to both communities. We also renewed our support for the objectives of the Talks process; said that we regarded that process as vital and its objectives as valid and achievable, and urged the Northern Ireland parties to intensify their efforts to find a basis for new Talks. We agreed that the two Governments would continue their discussions to provide a framework to carry the process forward.

SECRET AND PERSONAL

As you know, the Butler/Nally Group met again on 10 November to look at a further draft of the Joint Declaration. I was very grateful for the work which went into this further text, taking account of Archbishop Eames' reactions. It shows a real effort by the Irish Government to reach out to the Unionists, as well as to produce formulae to encourage the Provisionals to abandon the armed struggle.

Your letter suggests that your officials have reported us as being unable to proceed further on the proposed initiative. There may have been a misunderstanding, as we are not quite at that point. We shall want to consider this latest draft most carefully. We share your view that we may face an opportunity of historic proportions, and we wish to ensure that we exploit this. As you know, our primary concern has been that "peace" from the republicans is not secured on any basis that will stoke up Unionist fears and, partly as a result, provoke loyalist paramilitaries in a way which would delay peace rather than accelerate it. I remain worried, as I know Robin Butler made clear, by the fact that the well publicised Hume/Adams démarche has made this very difficult. While hope has been excited, especially among the nationalists, there are considerable worries among the Unionists. We shall be studying the latest draft accordingly very carefully, and we will be in touch about it soon.

If we conclude, reluctantly, that even this version of the Joint Declaration will not produce the result we all want to see, I hope we can continue to work together to see whether other approaches might be found.

Without prejudice to this important work I am sure we must press on with our contribution to the Talks process, as we have publicly committed ourselves to doing. This process has placed significant pressure on the Provisionals. If we make the achievement of "peace" a prior condition to the development of the Talks process, we hand control of the political, as well as the military, agenda to the paramilitaries. It is only they who can determine whether and when they will stop.

As you know, I have held separate meetings with each of the four Northern Ireland constitutional leaders. This has generated high interest and expectations. Meanwhile, Michael Ancram has been completing his second round of exploratory meetings, confirming that there is some encouraging convergence between the parties on substantive issues, but also a sense that the <u>Governments</u> must set the framework for the next steps.

A key to further progress is the work which British and Irish officials have been undertaking through the Liaison Group. As you will know, British officials handed over an initial draft of a possible Joint Framework Document of 24 September. The Liaison Group has met three times since then, and has had discussions based on this draft. But we still await the Irish side's response, and it is this - not any tardiness on our side - which is holding up further progress. It is now needed urgently because the framework document ought to address the possible substantive framework for further political progress, and also the key set of

issues on constitutional balance. It has the potential to generate a public shape for further Talks which the Unionists would find hard to resist. It could also provide material to work within the Joint Declaration context, if it turns out that the elements of that approach need to be repackaged in order to have the best chance of success.

I very much hope, therefore, that the Irish Government's response will be provided urgently.

In the meantime, we should give no encouragement to those who seek to find any daylight between the two Governments. In particular, I hope we can avoid any suggestion that peace and the pursuit of a Talks settlement are somehow alternatives, and that one must be conditional upon achieving the other. Our Joint Statement on 29 October was clear that both needed to be pursued urgently. They are complementary and each should enhance the other. That is the line which I shall continue to take.