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No reply to the
letter for the moment
John 18/7.

From: JOHN HOLMES
Date: 12 July 1996

PRIME MINISTER

A. refer to letter
7/13.7

NORTHERN IRELAND

No major new developments on the ground to report. Further trouble in nationalist areas is expected tonight (Friday) but the extent is not predictable. ✓

The strength of Irish/nationalist anger and disillusion continues to be apparent. Their view is essentially that the Protestants have shown once again they can enforce their will in the Province. They can therefore have no faith in a political settlement, or protection from the police. This is in my view hugely exaggerated, but there is no mistaking the strength with which this view is held. ✓

... To illustrate this, I attach a copy of a letter recording a conversation with John Alderdice this evening. I understand that he has been in a bleak mood for a few weeks now, but I was still struck by his extreme reaction and pessimism. ✓

You are already aware of Bruton's interview to the BBC last night, where he was directly critical of the British Government. I have spoken to Paddy Teahon as I have not spoken to him (or many other people) before. He took the point and did not argue. We must put our own position firmly on record and reject the Irish accusations. NIO Ministers are doing so. But I hope we can avoid a direct, personal slanging match with Bruton. He did not mention you, and I do not think you should dignify his accusations by responding yourself. If we and the Irish fall out seriously, I fear the talks will be in real trouble. ✓

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... Bruton has meanwhile sent you the attached follow-up letter to the phone call. Once over the first couple of paragraphs, it at least looks forward. I have asked the NIO for urgent advice to enable you to reply on Monday. The beginning of your reply should take up his interview in no uncertain terms.

The talks are still scheduled to resume next week. The process will not be easy, to say the least. There will have to be an opportunity to let off steam. But if we can get through the weekend without too much further trouble, the position may still be recoverable.

JOHN HOLMES

12 July 1996

fnorth.slh

PS Teahon told me earlier today that Sinn Fein had answered the Irish that the shots at RUC men last night were indiscipline, not the start of an IRA campaign in the province. Hardly a watertight assurance, as Teahon freely admitted, but at least an encouraging sign.

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