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FROM: STEPHEN LEACH
ASSOCIATE POLITICAL DIRECTOR (L)
29 AUGUST 1996

cc: PS/Sir John Wheeler (L&B) - B
PS/PUS (L&B) - B
PS/Sir D Fell - B
Mr Thomas - B
Mr Legge - B
Mr Bell - B
Mr Ray - B
Mr Steele - B
Mr Watkins - B
Mr Wood (L&B) - B
Mr Beeton - B
Mr Hill - B
Mr Lavery - B
Mr Perry - B
Mr Stephens - B
Mr Maccabe - B
Ms Checksfeld - B
Ms Mapstone - B
Mr Whysall - B
Mr McKervill - B
HMA Washington (via IPL) - T
HMA Dublin - B
Mrs Evans, HOLAB - B
Mr Lamont, RID - B
Ms Polley, Cabinet Office - B

PS/MICHAEL ANCRAM (L&B) - B
PS/SECRETARY OF STATE (L&B) - B

THE WAY AHEAD: DRAFT MINUTE TO THE PRIME MINISTER

Michael Ancram has asked that a draft minute to the Prime Minister be prepared setting out our strategy for animating and instilling momentum into the Talks process which resumes on 9 September, with particular reference to decommissioning.

2. I accordingly attach a draft for the Secretary of State's consideration. It may be worth clarifying that this focuses on the strategy for **continuing and developing** the Talks process, and is distinct from the paper on future policy options if the Talks fail requested in John Holmes' letter of 29 July (on which Ms Mapstone is submitting separate advice). It is **also** separate from the examination of an enhanced role for the Northern Ireland Grand

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Committee (NIGC) commissioned by No 10, on which Mrs Rogers submitted advice yesterday. (The annex to the attached draft minute does however briefly examine the NIGC proposal.)

3. I hope that the drafts are self explanatory. But to establish the context, it may be worth making the following points:

i the draft refers to Drumcree and surrounding events as an important factor in the current situation, but does not go deeply into the extensive analysis of the "Drumcree factor" recently produced in the Office (eg Mr Maccabe's minute of 16 August to PS/Michael Ancram). The Secretary of State may consider that it would be valuable to pass some of this material to No 10 by way of background - if so, we can arrange to do this separately under an appropriate Private Secretary letter;

ii on the main issue of decommissioning, the paper recommends that our objective should be to converge the Talks participants on the broad compromise approach which we agreed with the Irish and published on 6 June - subject to the refinement and expansion detailed in the draft, and updated to take account of developments since 6 June (eg the agreement to dispense with the Chairman's role). This is in line with the view taken by the Secretary of State (as recorded in Mr Lindsay's note of 12 August commenting on Mr Stephens' submission of 7 August);

iii a key component in moving forward will be to persuade the UUP that a maximalist position on decommissioning is unrealistic and unobtainable, but that the Government's proposed approach nonetheless represents very substantial progress and could be presented to their constituency as a considerable success. It has been suggested that some complementary measures might help the UUP to show flexibility in this area, and the draft addresses two such ideas - an enhanced role for the Grand Committee, and a

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possible warmer formulation of the Government's attitude to the Union. (On this last point, alternative formulations are given in the Annex to the minute; the Secretary of State will wish to decide which he prefers.) However, the overall conclusion of the paper is that, while these ideas may be worth pursuing on their merits, they are not directly relevant to decommissioning, and it is far from clear that even if implemented they would be of decisive help to the UUP in espousing a more flexible attitude on decommissioning;

- iv it would of course also be desirable to bring unionists **outside** the UUP to a more flexible attitude on decommissioning. There is a delicate balance here. On the one hand, the DUP (in particular) should not be despaired of - Peter Robinson for one has shown some clear signs of incipient flexibility. But whether this actually materialises would depend very much on the DUP's calculation of political advantage, and it is possible that, by explaining to other unionists the measures which we see as demonstrating the real achievement and substance of the proposed decommissioning format (publication of the draft Bills, etc), we might tempt them to belittle and discount these measures, thus making it much **more** difficult for the UUP to present such an outcome as a success. The Secretary of State may wish to discuss this issue further in the course of next week.

4. I am very grateful to colleagues who have assisted with the attached drafts.

SIGNED

S J LEACH
APD (L)
OAB 6469

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