

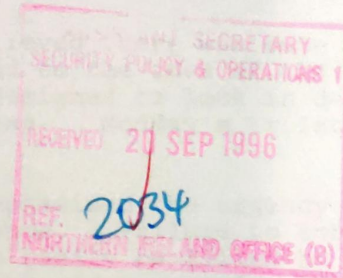
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From: Veronica Sutherland
Date: 20 September 1996

To: Mr Stephens

cc: PS/Sofs
PS/Michael Ancram
PS/Sir J Wheeler
PS/PUS
PS/Sir D Fell
Mr Thomas
Mr Bell
Mr Watkins
Mr Wood
Mr Beeton
Mr Hill
Mr Leach
Mr Perry
Mr Legge
Mr Steele
Mr Maccabe
Mr Lamont, RID



cu (A)

DISCUSSION WITH TIM DALTON, 20 SEPTEMBER

1. I called on Tim Dalton this morning to ask for his impressions on the talks in Belfast.
2. He said that a week ago he and his colleagues had been reasonably optimistic that the Ulster Unionists intended to do a deal with the SDLP and that progress on decommissioning was possible. They had the impression that if they were to show their draft legislation to the Unionists, this would unblock the present impasse.
3. By now however they were less optimistic. They accepted that Trimble was in a difficult position in relation to members of his own party and with the DUP and UKUP. However Trimble was now increasing his demands on decommissioning, pushing the barrier ever higher.
4. The Irish Government's decision to let the Unionists see their legislation was designed to test out Unionist intentions. They had been encouraged by the Unionists' initial response but were now disheartened by the lengthy questionnaire the Unionists had submitted. Nor had the trilateral meeting on Wednesday entirely been encouraging. Taylor's attitude had been particularly unfortunate.
5. Tim Dalton said that some of his colleagues were despairing about prospects (presumably O h'Uiginn amongst others). He himself was cautious but did not rule out the possibility of progress. He was reassured by the manner in which the two

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Governments were working together and believed there was some hope that the Ulster Unionists might come round to the idea of the establishment of a committee of experts designed to look in detail at the practical aspects of decommissioning. Monday's trilateral would be critical.

6. On more general issues, Tim Dalton emphasised the urgency of progress towards discussion of the 3 Strands. Failure to embark on this left a vacuum which could all too easily be filled by the men of violence. The Provisionals on both sides were in a volatile mood and violence could be sparked at any moment. He however did not rule out the possibility of a restoration of the ceasefire. He believed that those arguing the democratic case, including Adams and Maginnis, still exerted a great deal of influence and were at present holding violence in check. If the talks could engage in substantive discussion on the Strands, then he thought that the Sinn Fein leaders would see advantage in joining in.

7. In conclusion, I asked Tim Dalton whether he understood the extent of Unionist distrust of the Irish Government, stemming partly from the debacle which surrounded the end of the talks in 1992. I added that the British Government exerted as much pressure as possible on the Unionists but it was important to coax rather than bully them in order not to alienate them. Tim said he did understand this even if he sometimes wished that the British would use a firmer approach in dealing with the Unionists. My parting shot was that British Ministers were a good deal tougher with the Unionists than was public knowledge.

Comment

8. As ever, Tim Dalton's approach was balanced and reasonable. His interpretation of Irish intelligence sources seemed a little more optimistic than Sean Donlon's, but the fact is that no-one has solid information.

Veronica Sutherland
AMBASSADOR

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