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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

9 September 1996

Dear Han,

NORTHERN IRELAND: FUTURE POLICY OPTIONS

Thank you for your letter of 2 September, and the attached paper.

The Prime Minister was grateful for the further work that has gone into this exercise. He hopes that it will not be needed, since he agrees strongly that the current talks process must be sustained if at all possible. He is therefore content that there should be no further work for the moment. But the risk of the talks running into the sand, or one or more of the main parties walking out, remains high, and it is as well to have done at least some preliminary thinking against this eventuality.

As far as the substance is concerned, the Prime Minister believes that your analysis is more negative than it need be on some of the ideas raised, particularly if they were put forward as a balanced package. Clearly each side would pick the bits they liked and criticise the rest, and one side's views would no doubt tend to be a mirror image of the other's. But this is true of any policy or initiative in Northern Ireland and should not inhibit us from making proposals when we believe them to be necessary and justified.

In particular, the Prime Minister is not convinced that any return of more powers to local government is bound to be as difficult and one-sided as you suggest; and believes that the idea of a body of local politicians acting as advisers to NIO Ministers could be dressed up to be reasonably attractive. He does not accept that a limited and balanced package of measures has to be seen as some kind of internal settlement and a departure from the triple lock. He is also less sure than the paper that we would need to cross every t and dot every i with the Irish Government, although we would obviously want to work with them closely wherever we could.

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From: JOHN HOLMES
Date: 9 September 1996

I am copying this letter to Jan Polley (Cabinet Office).

PRIME MINISTER

Yours ever

NORTHERN IRELAND

John

JOHN HOLMES

Ken Lindsay Esq
Northern Ireland Office

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