

Lee letter CONFIDENTIAL



Prime Minister

THE TALKS PROCESS: CHALLENGES AND PROSPECTS

As we approach the end of the summer break, it is timely to review the current political scene in Northern Ireland and the prospects for progress when the Talks resume on 9 September.

2. The Talks adjourned at the end of July under the shadow of Drumcree and surrounding events. These starkly underlined both the difficulty of achieving reconciliation in Northern Ireland and the centrality of our policy of seeking to heal divisions by sidelining the men of violence and working to build an agreed political settlement.

3. While the centrepiece of that policy is the Talks process itself, we are of course keeping a range of other options under review against the contingency that the Talks might prove unsustainable. This exercise is being separately pursued in the light of John Holmes' letter of 29 July. However, in the absence of the local political agreement which the Talks alone could provide, it is only realistic to note that alternative approaches are unlikely to offer any early or credible route to progress.

4. While a complete breakdown of the Talks is not impossible (given the current lack of confidence), and it is clearly right to plan for that contingency, there is in fact no evidence that either unionists or nationalists wish to abandon the process (and certainly neither wants to be labelled as the group which wrecked the Talks). Although Drumcree certainly created a significant dimension of shock

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and mistrust, it is worth recalling that the major achievement of the process so far - the agreement of Rules of Procedure, which in fact provide a comprehensive operative framework for negotiations - came after the events of early July.

5. Looking at the major parties on each side, the SDLP may well calculate that achieving acceptable progress in the Talks is the best way of rescuing the ground they have lost to Sinn Féin (who many believe would out-poll the SDLP if an election were held now, while memories of Drumcree are still fresh). The more thoughtful members of the UUP (including we hope the leadership) are uneasily aware that Drumcree has rebounded on their community in a number of areas (for example, the current nationalist boycotting of Protestant-owned shops). They are also probably wary of souring their relations with HMG through further negative behaviour at a time when the British Government (like, indeed, the Irish) is much better disposed to them than any potential alternative administration.

6. However, while an early and decisive rupture in the Talks may be unlikely, we must be alert to the danger of a gradual decline into stalemate, with the SDLP and Irish increasingly frustrated by the maintenance of a maximalist Unionist position on decommissioning. I believe that scope for convergence on the decommissioning issue does exist, but we need to find the catalyst which will achieve this and re-energize the process with new momentum.

7. There is need for caution in considering what, if any, significant policy changes could provide this catalyst. Any measure seen as favouring one side alone would be likely to produce a negative reaction in the other community. It is

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an important reality that most nationalists would see any special consideration as being due to them, as compensation for Drumcree, and would interpret pro-Unionist measures as a reward for bad behaviour and a signal of HMG's vulnerability to bullying tactics. And more fundamentally, given the damage to nationalist confidence as a result of Drumcree, the key requirement in seeking to re-establish that confidence is to demonstrate beyond doubt the Government's firm control of public affairs, and our handling of issues on their merits. ✓

8. Our prompt establishment of the North Review, and the ban imposed in respect of the Apprentice Boys' march in Londonderry, demonstrated our grip on the contentious issue of parades. Any perception, however, that the Government might skew the handling of other fundamental issues to achieve some short-term tactical re-balancing could well lead to disaffection, and tempt both sides to bid up their alienation in the hope of extracting further concessions from HMG, rather than engaging in the more difficult but potentially constructive effort to find common ground with each other. ✓

9. This by no means rules out considering on their merits measures which might meet areas of unionist concern. I am separately sending you a paper on two of these (an enhanced role for the Grand Committee, and analogous ideas; and a somewhat warmer formulation of the Government's commitment to the Union). These may well have a role to play. But it is not certain that these, or other steps which would not permanently alienate the SDLP and the Irish, would in fact carry sufficient political voltage to persuade the Unionists to make any significant move in return. I believe that the ✓

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new dynamic we need for the Talks can only derive from the specific issues being addressed there - notably decommissioning, which is the next key issue in the process and the one about which Unionists are particularly concerned.

10. The root of unionist anxiety is that, if Sinn Féin enter the talks, discussions on decommissioning could be spun out indefinitely with little practical progress, and the Unionists would then get the blame if in retaliation they pulled the plug on the political negotiations. They therefore want, ideally, to "nail down" this issue by providing that, should Sinn Féin enter the Talks, a rapid transition to actual decommissioning would follow automatically, with Sinn Féin being permanently excluded if the IRA did not comply. This is clearly undeliverable, since Sinn Féin would not enter on these terms and the SDLP and the Irish (who continue to attach a high priority to Sinn Féin participation) would block any such arrangements. (The loyalist parties also oppose the unionist strategy, despite the understanding that in practice the UDA and UVF would only decommission on a mutual basis if Sinn Féin entered. The PUP and UDP fear that a decommissioning hurdle too high for Sinn Féin would soon lead to resumed IRA terrorism in Northern Ireland, followed by the breakdown of the loyalist ceasefire and their exclusion from the Talks.)

11. HMG's proposal for the handling of decommissioning, agreed with the Irish and published with your endorsement on 6 June, is designed to accommodate both the unionist desire for substantive progress and a tangible outcome during negotiations, and the nationalist concern for a less rigid structure which could entice Sinn Féin. Our proposal

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- offers a substantive address to decommissioning before the three stranded negotiations start;
- envisages as the outcome of that address a commitment to work constructively to implement all aspects of the International Body Report, and a procedural mechanism (a committee of Plenary) to take forward that commitment and agree a firm decommissioning scheme; and
- in line with the International Body's analysis, offers discussions of decommissioning to take place in parallel with political negotiations, but with the aim of securing some actual decommissioning during the negotiating process.

12. Any viable way forward has to recognise that the confidence to achieve actual decommissioning can only be built (as recommended by the Body) alongside the three stranded negotiations, not in advance of them. Nationalists believe (whatever the merits of the argument) that the Unionists' show of force at Drumcree (including the deployment of heavy mechanised fence-clearing equipment with improvised armour and a slurry tanker of the type used by PIRA to set fire to the Baruki Sangar in Crossmaglen) compromised their moral authority to seek decommissioning and put them on the same level as Sinn Féin. It accordingly underlined the impossibility of removing republican arms save in the context of clear movement towards political structures which nationalists could accept. Assuming that, fundamentally, the UUP do wish to make progress in the negotiations, it will be essential to reach an early understanding with the Unionists, and in particular David Trimble, on what is deliverable, and on how the UUP might be

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able to present this as a victory. To help the Unionists, we could (subject to Irish agreement) offer refinements to our basic decommissioning proposal in order to demonstrate the seriousness of purpose and determination which animate both Governments on the decommissioning issue. Such incentives and reassurances could include:

- (i) Publication of both Governments' draft decommissioning bills, which represent a very clear signal of intent by the Governments and could well be presented by the UUP as the detailed and substantive progress on decommissioning they have been looking for. This has again been called for by Mr Trimble, on 31 August. Publication could be timed to coincide with the launch of the three strands and the decommissioning committee, or earlier if that was necessary to give the UUP the necessary cover to move forward. ✓
- (ii) The UUP have a particular interest in the make-up and functions of the Commission which the International Body envisaged as overseeing decommissioning. It could give further valuable substance to the work of the decommissioning mechanism if the two Governments were to publish for consideration, subsequent to the draft legislation, a more detailed paper on options for the Commission and the decommissioning scheme generally. ✓
- (iii) We could also develop and table a workplan for the proposed decommissioning committee, again with the aim of persuading the Unionists (and helping them demonstrate to their constituency) that this is a serious and substantive format aimed at achieving real progress, not a mechanism for pushing decommissioning into the long grass. ✓

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(iv) Finally, there could be regular reports from the decommissioning committee to the plenary. This would address the unionist concern that, once decommissioning leaves the opening plenary, their leverage over it would be gone and the issue would be lost from sight.

13. It will also be more generally important for the two Governments to use their influence in the negotiations to ensure that momentum is maintained and progress made. This could help to reassure both nationalists (who fear that real negotiations may never start) and Unionists (who fear that once they do, the political hare will outstrip the decommissioning tortoise). Unionists would react badly to any suggestion of an ultimatum if progress were not made by a specified date. The best option might therefore be to indicate (perhaps in our opening statement when the Talks reconvene) that there is a clear window of opportunity for political progress up until Christmas (when the parties may start to be distracted by the forthcoming General Election). We could say that to ensure that optimum use is made of this window the Governments recommend that all participants should meet in plenary in the course of November to review progress across the negotiations, and determine what additional steps might be taken to enhance the dynamic of the negotiations. Such a review would also hopefully act as an incentive to parties to make progress in the Talks for fear of being seen on review to be the party with the foot on the brake.

14. As we approach the resumption of Talks we will of course be in touch with other key participants in addition to the UUP (and will also be following through an appropriate information strategy involving set-piece



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speeches and articles). Michael Ancram will be encouraging the SDLP to approach the resumption constructively. I shall see the Irish this week in Adare format, and will look to obtain their support for the above strategy. I shall also take the opportunity to remind them that Unionists have not so far been widely persuaded of the Irish Government's good intentions over Articles 2 and 3, and that early reassurance to them would be helpful. The Irish undertook in the Framework Document, as part of a settlement, to bring forward proposals for change to the Irish Constitution 'such that no territorial claim of right to jurisdiction over Northern Ireland contrary to the will of a majority of its people is asserted': a formulation argued over at great length with the Reynolds' Government. This, though in fact a considerable advance, has been regarded with suspicion by Unionists. John Bruton has occasionally in the past used more helpful language - about changing the Constitution to leave 'no territorial or jurisdictional claim'. Further comments from Dublin on these lines could well improve the atmosphere for the Talks.

15. There would be dangers in us speaking out publicly about Articles 2 and 3. Bruton is bound to be cautious, approaching an election, needing Fianna Fail support in any constitutional referendum, and looking forward to negotiation with the Unionists about this very issue. Nevertheless I believe there would be value in you pressing him when you are next in contact to say something from which Unionists could take comfort (not least if he returns to his notion of a "Frameworks Mk 2" document, which he mentioned to you before the holidays). The realities are, after all, clear and widely recognised in the South. The atmosphere will be much healthier when their Constitution is brought into line with them.

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16. I should also record that (together with the Irish side) we will be seeing Mitchell and his colleagues to ensure that the Chairmen's position accords with our own. And we will be paying due attention to the loyalist parties, who - as your July meeting with them indicated - put particular weight on prisons issues as a key factor in maintaining the CLMC ceasefire. The recent and unacceptable "expulsion order" issued by the CLMC against two hard line dissidents - the underlying purpose of which was, ironically, to preserve the ceasefire - would make an immediate relaxation impossible, but will not I hope prove a permanent complication.

Conclusion

17. I should be glad to know that you are content with this approach. The key element in our preparation for the resumption of talks will probably be the effort to reach an understanding with the UUP on decommissioning on the lines set out in paragraph 11 above. The possible incentives for Unionists which are covered in the paper being sent to you separately may also have a role to play. You may wish to have a word about the optimum way of approaching Trimble.

18. I am copying this minute to the Foreign and Commonwealth Secretary, and to Sir Robin Butler.

Signed

PM

2 September 1996

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