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CONFIDENTIAL

(1)

FROM: Minister

DATE: 12 August 1996

cc: Mr Beeton, NIO(L)
Mr Stephens, NIO(L)
Mr Lamont, RID, FCO
Mr Oakden, No 10
Mr Reid, BIS New
York

Mr Westmacott

US/NORTHERN IRELAND: JIMMY SMYTH

1. Thank you for your minute of 12 August.

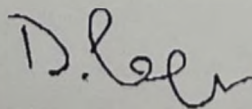
2. As I mentioned to you this morning, State Department officials to whom I spoke on 9 August were angry about Lake's call to me that day. They had Lake's speaking notes for the call, which made clear that the White House envisaged linkage between resumption of the IRA ceasefire and remission of prison sentences for IRA prisoners who had served time in American prisons. Either the IRA should be "rewarded" for renewal of the ceasefire by remission of time served or the offer of the latter should be part of an inducement for restoration of the ceasefire.

3. As I recorded, Ms Peters retreated in discussion from that position to something which sounded fairly innocuous. However,

- her repeated references to absence of linkage is misleading. While Smyth's extradition would be condition-free, it would be the occasion for an NSC statement. Linkage with the extradition is made, in the minds of anyone who listens, by proclaiming the absence of linkage.

- explicit linkage is made, not with Smyth's extradition, but between the treatment of IRA prisoners and unspecified "confidence-building measures".

- if the State Department are to be believed, it is of course disingenuous of Ms Peters to say that she and Lake "might not have set out with sufficient clarity" his suggestion of 9 August.



David Logan

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