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From the Private Secretary

23 August 1996

Dear Peter,

US/NORTHERN IRELAND: MACBRIDE

Thank you for your letter of 22 August, which we subsequently discussed. I spoke to Nancy Soderberg (NSC) shortly afterwards, as you suggested.

I said that we had been following the debate here on how the Administration should offer support to MacBride. We knew that she was in close touch with you on the subject, and were grateful for her continuing efforts to channel the pressure on the Administration in a sensible direction.

The Prime Minister had asked me to underline two main points:

- the importance of avoiding, if at all possible, putting extra barriers in the way of investment in Northern Ireland. It was hard to overstate the importance of maintaining investment flows. Our Fair Employment legislation already bit hard.
- the top priority remained to get the inter-party talks constructively restarted on 9 September. This would be hard enough as things stood. It would be better to avoid actions which would make Mitchell's task harder by infuriating the Unionists.

I added briefly the other arguments about the need to avoid compelling the IFI to establish a separate branch in the US and for any initiative on Fair Employment to apply equally in the Republic and Northern Ireland.

Nancy Soderberg said that it was helpful to have the ammunition of a call from here and to know that we attached importance to the issue. She had never thought the MacBride campaign well founded. But the fact remained that it had

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- 2 -

the President's support - and the backing of many of his supporters. The latter were maintaining strong pressure for the President to act on the issue in a way that had teeth. They took the view that, when he had vetoed the Foreign Operations Authorisation Act earlier this year, he had vetoed MacBride: he now needed to make up for this.

Ms Soderberg confirmed that the latest plan remained for the President to write to the US Observer on the IFI board, Lyons, and to Atwood of AID, urging them "to take into account" the language on MacBride in the FOAA. She would send us the draft text, as soon as this emerged from the NSC lawyers in the next hour or so. She wanted to put a text to the President over the weekend, so would need reactions today.

The more extreme MacBride supporters continued to seek an Executive Order. Ms Soderberg was resisting this, arguing that it would create a political backlash in Northern Ireland that would only set back the prospects for progress in the inter-party talks. She was using the same argument for those proposing Engel-type language. A hortatory Presidential letter would remain controversial within the Administration. But she had discussed the options with Mitchell, who had agreed that this was the best way forward and a line that the President could hold. We discussed whether the Fund could provide the Administration with any material that would help their cause, but concluded that it could not, since nothing short of saying that they would abide by the MacBride Principles would satisfy the MacBride lobby.

We now await the draft of the Presidential letter. I should be grateful if DED could stand by to advise on this extremely quickly.

I am copying this letter to Richard Lemon and Susan Foster (Northern Ireland Office), Sam Sharpe (Foreign and Commonwealth Office) and to Messrs Gibson (DED, Belfast), Lamont (RID, FCO), Pellew (FCO) and to HM Ambassador (Dublin).

Yours ever,

Edward Oakden

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Peter Westmacott Esq

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