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From: JOHN HOLMES
Date: 22 January 1997

PRIME MINISTER

NORTHERN IRELAND

At the risk of trying your patience further on this unpromising subject, you may
... like to look at both the attached documents.

- Not out.* *(1)*
- (i) The first is the paper which Trimble handed over yesterday. While the specific proposals in the second half of the text have some constructive aspects which we may be able to pick up, the introductory section is alarming. As you will see, it is in effect a rejection of the present talks process, because of the possibility that Sinn Fein might join it. If published, this paper would cause the Irish and SDLP, and no doubt others, to lose all faith both in the UUP and in the talks.

It may be that this part of the paper is for internal consumption. Michael Ancram is meeting Trimble tomorrow, and will try to establish more clearly its status and whether it should be taken as a genuine expression of UUP views. He will also be pressing on the UUP the need for a move on decommissioning. If Trimble shows no readiness to compromise at all, it is not easy to see how the talks can continue for more than a few more days. We may then have to consider closing them down rapidly, despite the wishes of other parties, to stop the SDLP walking out and the process

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collapsing in a way which will make it impossible to pick up again after the Election.

- (ii) The second is the text of what the Taoiseach had to say in the Dail earlier today in response to questions from Ahern and others. It is very long but I have highlighted some of the nuggets. It is another excellent performance from Bruton: very firm about IRA terrorism; spelling out that Irish Government contacts with Sinn Fein are over for the moment; resisting all provocation by Ahern to criticise you or HMG; and generally taking a positive and statesmanlike line. As we have commented before, he is the best Taoiseach we are likely to get. I will take an opportunity to make clear to Teahon how well this performance went down here, if you agree.

John

JOHN HOLMES

*Yes, please.
Or a note to Tony
if you wish.*

fni.sm

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