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Mr Thomas

LUNCH WITH BERTIE AHERN - 24 APRIL

1. I had a wide-ranging discussion with Bertie Ahern over lunch a deux today.

Mr Budd, Cabinet Office - by fax

Mr Holmes, PS/No.10 - By fax

Northern Ireland

- 2. Bertie Ahern seemed confident that he could work with the incoming British Government to achieve progress In a peace process. He and his senior advisers (he mentioned only Martin Mansergh by name) have maintained regular and friendly contact with members of Sinn Fein, the SDLP, the Ulster Unionists and the Orange Order. They have not included the DUP, believing that dialogue with them was fruitless.
- 3. In Ahern's view, all his interlocutors in the North wanted a settlement. He was convinced that both Adams and McLaughlin personally accepted the consent principle and were trying to persuade others to follow them, although Martin McGuinness represented an obstacle in this respect. Ahern's experience led him to believe that Trimble, Taylor and Ken MaGuinness wanted a deal and an end to violence.
- 4. Ahern said that the first step would be a renewed ceasefire. Thereafter confidence-building measures (CBMs) on both sides would be important. For the Unionists an end to targetting and training by the IRA would be critical. For both them and Sinn Fein some movement on prisoners would also be important. He did not believe that constitutional issues would feature among the early CBMs. If progress on terrorist activity and prisoners could be made, then the way would be opened to start talks, albeit possibly without the DUP should they decide to absent themselves.

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5. Ahern did not believe that decommissioning would at this stage be an insuperable obstacle to the start of talks. In his view it had been used over the past months as a deliberate ploy by the Unionists to prevent engagement in substance. The Unionists had no confidence in the recent talks process, partly because they had no faith in the Irish Government. This might seem strange, given John Bruton's sympathies with the Unionist position, but he thought that the personal chemistry between Bruton and Unionist leaders was bad and their suspicions of the Tanaiste boundless. Ahern accepted that any talks process starting under the new Governments would be extremely lengthy, but believed a deal was possible on the basis of the three strands. However, he was a realist and accepted that the alternative scenario of continued violence, Drumcree III and stalemate in talks remained a worrying possibility.

6. Finally, Ahern claimed that Sinn Fein, the SDLP and the Ulster Unionist parties would all prefer Fianna Fail to form the next Irish Government. Coalition with the PDs would be necessary, as Fianna Fail could not win an outright majority.

The Political Scene

- 7. This led to a discussion of the current political scene in the Republic. I asked Ahern whether he was satisfied with the outcome of the Fianna Fail Ard Fheis. He said he thought this had gone very well. I referred to his speech, with only a short section at the end on Northern Ireland and no criticism of the British, apart from a mention of Bloody Sunday. He responded that this had been deliberate: he had no wish to have any involvement, even indirectly, in the election process in Britain. The speech had therefore deliberately focussed on a range of domestic politics on the theme of the party slogan: "Politics for the People".
- 8. Fianna Fail is keen to get ahead with the election. He believed an announcement would be made next Thursday, I May, for an election date approximately three weeks later. Simultaneously there would be an announcement about the date when the Dail would resume, normally three weeks after the election day. During the three weeks after the election, the current Taoiseach would retain office, with the new Taoiseach being elected by the Dail on its first day. The three week interim period would also give the opportunity for negotiations on a new coalition, if necessary
- 9. Ahern said his worst fear was a hung Dail. This would be disastrous for everyone, and particularly for the Northern peace process. The Irish had had experience of this in 1981-82, when there had been three General Elections in 18 months. No government business had been done, and this was one of the reasons for the economic disaster of the late 80s.

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Ahern's Priorities

- 10. I then asked Bertie Ahern what his priorities would be if he were elected Taoiseach. He said that of course the North would take up a lot of time, even if the Irish electorate showed little interest in it, according to the pollsters. Thereafter he was keen to tackle the growing crime problem, which was extremely serious. We discussed the reasons for this inconclusively. Tangentally, I touched on extradition legislation. I said that if it lay within his power I hoped he would examine the present Irish arrangements which were unsatisfactory from the British point of view, as the Corrie case had shown.
- Tax and employment would be two other particular priorities. He would like to remove low paid single people from the 48% tax band and encourage many more people into employment.

Comment

- 12. This was an extremely agreeable occasion and I was surprised how open Ahern was - perhaps encouraged by the absence of party minders - particularly on the North. What he said is in line with recent minuting by James Tansley and Richard Clarke, albeit more optimistic than Martin Mansergh's analysis. However Ahern's focus on the importance of CBMs as a way into talks is an interesting new element. His frankness on Fianna Fail's prospects, notwithstanding his party's eagerness for an election, confirmed the general impression of genuine doubts about their electoral prospects.
- 13. I was left with the impression of a man who could rise to the challenge of Taoiseach, albeit in an entirely different way from Mr Bruton. Ahern's style would be much more that of the man of the people. According to some opinion polls, he is more popular than Bruton precisely because of this.

(SIGNED)

Veronica Sutherland Ambassador