From: John Holmes Date: 7 May 1997

PRIME MINISTER

cc: Jonathan Powell

Alastair Campbell

Philip Barton

MEETING WITH BRUTON

You will be seeing Bruton for an hour at 1600. We have fixed this in the White Room upstairs, over tea, to emphasise its informal, get-to-know-you character. Bruton will be accompanied by Spring; Ted Barrington (Irish Ambassador here and a good thing); Paddy Teahon (my opposite number – cheerful but a bit vague;) and Sean O'hUiginn (the Northern Ireland expert from the Foreign Ministry

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On our side, you will be accompanied by Robin Cook and Mo Mowlam. There will be no officials other than Jonathan and I - again to emphasise the informal nature of the occasion.

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neet Bruton at the door of No. 10 (we will be

The form is that you should meet Bruton at the door of No.10 (we will be warned when he is approaching). There is then a photocall in front of the fireplace in the hall, perhaps first with you and Bruton alone and then with accompanying Ministers. We will then all troop upstairs to the White Room.

You know Bruton and Spring already. Bruton is nice, straightforward and violently anti-IRA, but bound to follow a policy designed to bring Sinn Fein into the talks. Spring is greener, but not unreasonably so. Bruton is as good a

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Taoiseach as we are ever likely to get from a British point of view. He is about to declare elections in Ireland, probably on 6 June. The polls show that the position is extremely finely balanced between his coalition and the Opposition coalition of Ahern (Fianna Fail) and the Progressive Democrats. My guess is that Bruton will just make it, but it could easily be a hung Parliament, which would be bad news all round.

The meeting with you is important to Bruton, and he will want something positive out of it if he can. Ahern tends to accuse him of "losing" the ceasefire and not being tough enough on the British. I have damped down Irish expectations heavily but they are irrepressible.

The Irish economy is doing remarkably well, and the face of the country has been transformed in recent years. As you know, the Irish are very pro-Europe - not surprisingly given the amount of money they get from the EU. They are determined to go into a Single Currency even if Britain does not, but worry about the economic impact. The Irish pound has recently fallen sharply against sterling – this is not unwelcome to the Irish because it makes their exports more competitive, as long as it does not go too far and stoke up inflation. It should also help the punt to go into a Single Currency at a competitive rate in due course.

There are three areas to cover in the discussion: <u>Europe</u>, <u>bilateral</u> ("East West") <u>relations</u> and <u>Northern Ireland</u>.

Bruton is keen to make more of an issue than normal of <u>bilateral relations</u>. He made a statement on Monday calling for much greater cooperation in areas of

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common interest, citing the priorities of your Government as a starting point, notably education. We can happily go along with this and ask the Cabinet Office to liaise with the Irish Government to take this forward, including early meetings between British and Irish Ministers. It all helps to give the relationship substance, and prevent it being completely dominated by Northern Ireland (where things are bound to get scratchy from time to time).

On Europe, I suggest you do not need to go much further than the sort of general stuff set out in Doug Henderson's opening statement at the IGC the other day, and the broad approach agreed with Robin Cook. The area of most interest, because we have a common concern, is justice and home affairs (Third Pillar). Because of the Common Travel Area the Irish want to preserve their frontier controls like us. But they are much more uncomfortable about it than we are and hanker after moving towards Schengen-style free movement across Europe. Nevertheless, we can work together to prevent wholesale communitisation of the Third Pillar. Spring and Robin Cook will no doubt be discussing this separately. In general, you will want to give this first European leader you are meeting the dual message: you are constructive but tough and determined to protect British interests and vetoes in the important areas.

On Northern Ireland, the aim must be to sound positive and ready to give fresh impetus to the peace process, without giving anything away on specifics. You can welcome close cooperation and stress the importance of a new ceasefire (and make clear more violence will make any movement much harder). Bruton is bound to push on whether we are prepared to resume official level talks with Sinn Fein. The Irish are grappling with the same issue themselves. I suggest you say no more than that we are looking carefully at it, and are not necessarily

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against talking if the circumstances are right. You will want to be very cautious about a date for Sinn Fein's entry to the talks. But you could suggest that you are thinking about a speech on Northern Ireland before too long, in which you would set out your approach in a way designed to reassure all concerned.

A good line to reassure the Irish of your intentions, while keeping them at bay, is to say that pressure from them obviously makes it harder to move in ways which the Unionists will find difficult to accept.

The Irish will also be interested in implementation of North. Again you will want to be cautious for the time being about exactly how and when you will implement the recommendation to give the Independent Parades Commission adjudicatory powers. Meanwhile, you can say that you will be doing all you can to prevent trouble this summer.

Bruton may lobby for Mary Robinson's candidacy to be the new UN High Commissioner on Human Rights. She is an excellent candidate and you can say that we would be very happy if she finished up in the job. But I would be a bit cautious if he ask you to lobby directly for her.

At the end of the meeting, although you are not talking to the Press together, you will want to agree a broad line of what should be said to the Press. Alastair will have been talking to Bruton's spokesman separately but they could perhaps be brought in at the end of the meeting to agree the approach. There is plenty of obvious stuff about the need for a ceasefire, importance of the talks, need to work together, and positive mood music to keep the reptiles happy.

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I attach FCO and NIO briefing which (believe it or not) I have kept to a minimum. You may like to glance to see what is there - and to give some guidance on what you would like in future. The NIO note has lines on Bloody Sunday, Roisin McAliskey and a few technical issues.

JOHN HOLMES

7 May 1997