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CC

FROM: QUENTIN THOMAS

Political Director 7 May 1997 ID/58

PS/SECRETARY OF STATE(L&B)

IMMEDIATE!

PS/Mr Murphy(L&B)

PS/PUS(L&B)

PS/Sir David Fell

Mr Steele

Mr Bell

Mr Stephens

Mr Watkins

Mr Wood(L&B)

Mr Leach

Mr Maccabe

Mr Beeton

Mr Hill

Mr Brooker

Mr Warner

Mr Lamont RID/FCO

HMA Dublin-FAX

Mr Budd Cab Office-FAX!

Mr Holmes No.10-WAX

DINNER WITH THE TANAISTE

Last night the Secretary of State, Mr Warner and I dined at Lancaster House with the Tanaiste, his private secretary and Mr Sean O hUiginn.

2. <u>In summary</u>, the evening was pleasant and cordial. Apart from general pleasantries, all the focus was on Sinn Fein, the prospects of securing a new IRA ceasefire and Sinn Fein's early entry into talks. The Irish side see this as the key issue for the meeting between the Prime Minister and the Taoiseach and attach importance at their doorstep (which, whatever may have been agreed, they still anticipate) to the two sides signalling, in common language, warmth towards the prospect of Sinn Fein's inclusion in the talks.

Detail

The Irish side clearly believe that, following Sinn Fein's relative success in the
 General Election, there is now an opportunity for a renewed ceasefire. They pick up

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signals, partly from the Americans, that the Provisionals are beginning to position themselves again for a ceasefire designed to secure their entry into talks on 3 June. On the one hand they anticipate the possibility of a unilateral ceasefire in mid-May for this purpose; on the other hand they argue that it is virtually inconceivable that there will be a renewed IRA ceasefire unless there is some certainty about what would follow, and in particular some "precision" about, if not immediacy for, Sinn Fein's entry into the talks process.

We noted the heroic efforts by the Irish Government to characterise what they had said in advance would be a vote for terrorism as having been in retrospect a vote for peace.

But it appears to be the case that the Irish side now believe that Sinn Fein and their IRA colleagues are poised to use the position of strength which their electoral performance has given them to bring the Movement as a whole into talks. The Irish side mentioned two areas of worry; certainty of entry for Sinn Fein and doubt about the nature of the outcome of the Talks process as a whole. They say they have consistently explained to Sinn Fein that they cannot give more assurance about what may come out of the process beyond of course the general indication that the framework document provides the area in which the outcome will be found.

- We emphasised in turn:
 - that the Government would clearly wish to see inclusive talks on proper terms;
 - that while both Governments should do all they could to advance the talks process without Sinn Fein that would be a "sub-optimal" option;
 - the Government was settling in, local government elections on 21 May were
 a factor and accordingly it was unlikely that there would be a positive
 response to Sinn Fein overtures in the immediate future;

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- on the other hand everything should be done to convey to Sinn Fein and
 the Irish side indicated that they might find a way of doing this that the
 Government might be on the verge of making some positive move, but that
 any further atrocities, or disruption through hoaxes, in Northern Ireland or
 Great Britain, would fatally damage the prospects for this;
- in any event a ceasefire in mid-May (one of the options the Irish side mentioned) was very unlikely to secure Sinn Fein's entry when the talks resume on 3 June.
- 6. In discussion, we noted the possible relevance of the forthcoming Irish General Election (June). While initially insisting that whatever was happening on that front, the Irish Government was determined that the talks should indeed take place on 3 June, the Irish side on reflection saw the possible case for using that election as a pretext for adjourning the talks thereby prolonging the natural gap during which Sinn Fein might become qualified for entry.
- 7. We gave no indication that there was any prospect of early contact with Sinn Fein in response to Gerry Adams' letter. The Irish side in turn mentioned that their current position was that meetings with Sinn Fein could only be resumed if there was some clear prospect that the IRA was on the verge of a renewed ceasefire. Nonetheless the Irish side seemed confident that they could find some way of conveying that there might be positive developments, but that any further terrorist action or disruption could prove fatal to it.
- 8. Although the British side registered their understanding that the meeting between the Prime Minister and the Taoiseach would essentially be an informal courtesy call, and that there would be no joint appearance before the press, the Irish side seemed confident of the need to co-ordinate a shared press line. After discussion it seemed that, leaving aside whatever was said about European union and East/West matters, the Irish side might agree to something conveying commitment to the talks, and warmth about the possibility of making them inclusive without adopting any new substantive position. This suggests that:

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The two Prime Ministers reaffirmed their commitment to the talks process, to the prospect that they offer a mechanism for meaningful negotiations and their shared determination to carry them forward without Sinn Fein if necessary, but with Sinn Fein if possible. They emphasised their wish to make the talks inclusive but stressed that a genuine and unequivocal ceasefire was the necessary prerequisite for achieving this. They hoped there would be an IRA ceasefire so Sinn Fein could be brought in. They believed there should be no unnecessary delay in Sinn Fein's inclusion if there were a credible ceasefire. They emphasised the need for the two sides to co-ordinate language in advance of the meeting.

Parades

- 9. There was a lengthy discussion of the prospects for the marching season. Mr O hUiginn deployed his familiar argument that, while the British genius naturally reached for a compromise, this might not be the right thing. On analysis it seemed that he preferred a concession to Nationalist interests! However, when pressed, he suggested that the best outcome might be for marches to go through most of the discussion focused on the Garvaghy Road expressly with tight conditions (small numbers, no bands, furled banners) but following some engagement between the Residents' Association and the Orange Order. The fact of some exchanges inevitably, in his view, involving Brendan McKenna was the essential prerequisite to achieving acquiescence in the march going through.
- 10. The Irish side emphasised how any movement on "peace" that is any moves towards a ceasefire and Sinn Fein's inclusion in the talks was likely to have a benign effect on the parades' issue. To some extent Sinn Fein could call the shots, and could use the parades issue as a proxy for the armed struggle. If they felt that HMG was responding positively to any overtures, and that a path towards a ceasefire and the talks process was opening up, this was likely to have a very benign effect, on the Irish view, on the parades' issue.

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The Secretary of State signalled clearly, but without commitment, that given other confidence building measures (police reforms; ECHR; parades legislation) she might well decide, in consultation with the RUC, that a march had to go down the Garvaghy Road. The Irish side listened intently and clearly appreciated being given an insight into the Secretary of State's current thinking. She also emphasised the Government's commitment to implementing North, while bringing out that it was unlikely to be achieved in time for this year's marching season.

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