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From the Private Secretary

11 July 1997

Dea Gen,

TELEPHONE CONVERSATION WITH THE TAOISEACH, 11 JULY

The Prime Minister and the Taoiseach spoke on the telephone for some 20 minutes at lunchtime today. We had asked for the call.

The <u>Prime Minister</u> said that the decision of the Orange Order to cancel or re-route the main marches over the weekend was obviously extremely welcome. We were grateful for the remarks the Taoiseach had made, which seemed to strike the right note. There might be trouble from some Loyalists, and Dr Paisley was already on the airwaves talking of a new Munich. Nevertheless we hoped the decisions would hold. <u>Ahern</u> said he believed they would deescalate the situation.

The <u>Prime Minister</u> continued that we had now sent a further letter to Sinn Fein, as the Taoiseach would no doubt have seen. The next difficulty was decommissioning. Trimble was not being too unreasonable, but his position was difficult, since he was under attack from other Unionists. His real problem seemed to be that, if he could not say that decommissioning was at least <u>possible</u> early in the process, he would have difficulty in staying in the talks. He appeared to be making an effort to move in our direction, and Drumcree should have made this easier for him. But we had to find ways to tie him in if we could.

Ahern said that the clarification we had given to McGuinness was good, and the Irish appreciated the chance we had given them to make an input. The fact that we had replied was helpful in defusing tensions following Drumcree. Mitchell McLaughlin had been implying as much in interviews. The Irish had also been trying since Drumcree to rebuild nationalist confidence in Dr Mowlam. The latest developments on the marches would certainly help with this. The key now was to get movement in the talks process itself. He knew that Trimble's position was difficult. But it was essential to stick to the timetable for decisions in July, and the substantive talks in September, and also to stick to the joint paper on decommissioning.

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The <u>Prime Minister</u> said that we would certainly hold to the timetable we had set. <u>Ahern</u> continued that there was some concern about the draft reply to Trimble's letter. He understood what we were trying to do, but care had to be taken to avoid creating difficulties on the other side. Contradictory messages to different parties had to be avoided. It was also essential to stick to the joint paper (not all of which the Irish had found easy to accept) and not to depart from the Mitchell Report.

The Prime Minister said that he understood Ahern's concern. We would not depart from the Mitchell Report or the joint paper. He had not seen a draft reply to Trimble yet. But there was a hard issue here of what should be said about decommissioning. One interpretation of Mitchell meant that there had to be decommissioning, whereas another meant that this should be a rational possibility. He and Ahern both believed that this issue would become much easier if substantive talks could start and progress was being made. In those circumstances it would perhaps not be too difficult for Sinn Fein to make a gesture. But if Sinn Fein were seen to wield an obvious veto over decommissioning, or if it was said that there would definitely not be any decommissioning during talks, we would have great difficulties with the Unionist side. We had to find a way through this dilemma. But we could not back away from our own view of the Mitchell Report.

Ahern said that there were two important points in Mitchell: that decommissioning would be a voluntary process, and that parallel decommissioning should be considered. If it was said that decommissioning was compulsory, there would be a real difficulty. The Prime Minister said he understood the point Ahern was making. Our interpretation of Mitchell was that there should be some actual decommissioning during the talks. But the point was to avoid too hard-edged an interpretation in either direction.

Ahern said that it might be better to avoid a written reply to Trimble since this would be seen as a new joint paper. The <u>Prime Minister</u> repeated that there was a danger of losing the Unionists if we were not careful. We were walking a tight rope over this issue. If it was perceived that there was no intention to decommission, we would almost certainly lose the Unionists.

Ahern commented that, although the Prime Minister had told him on Sunday that keeping Trimble in was not the reason for the Drumcree decision, the fact remained that Trimble owed the Government one. The Prime Minister agreed. His own judgement was that, if there could be a ceasefire soon, without

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further killing before it happened, the issue might begin to decline in significance. Ahern said that if the weekend could be got through successfully, and we could get the clarifications on both sides right, there was a real chance of moving the process on. He would hate to see decommissioning, which was essentially a side issue, knock the process off course. The aid memoire and the timetable had given the process momentum, and it needed to be pushed forward further. He hoped a new ceasefire could fit into that equation.

The <u>Prime Minister</u> said that the latest decision of the Orange Order was likely to have a considerable effect on British perceptions, since it suggested that the Government's efforts were not pointless. If there could be a new ceasefire before the end of July, some real hope could be created. <u>Ahern</u> said that the Irish Government were working away on this. Returning to decommissioning, he repeated that it was important to avoid giving two different impressions to the two sides.

The <u>Prime Minister</u> agreed that being too definitive about this was not helpful. One way through might be as follows. The Irish could say that of course many people wanted to see decommissioning during negotiations. We could say that of course Mitchell meant decommissioning during negotiations. These formulations would be quite close to each other and would give some room for manoeuvre on both sides. It was pointless to give the Unionists the opportunity to say that, if decommissioning were purely voluntary, it would never happen.

Ahern took the point, but said that it was equally important to avoid saying that decommissioning must happen. The joint paper had done a good job in trying to reconcile the respective positions. He hoped that there would be no more clarification requests from Sinn Fein, and urged sensitivity over the reply to Trimble. The Prime Minister said that it might still be possible to deal with Trimble's questions in a meeting. He would look at this.

Ahern finished with a veiled reference to "Plan B", for use if there was no agreement on talks by 23 July. But it was perhaps too early to worry about this. The Prime Minister agreed.

The <u>Prime Minister</u> asked in conclusion how the new Government was getting on. Ahern said things were going well, despite the revelations about Haughey. He had taken care to distance himself from Haughey some time before, since he had assumed the truth would come out at some point.

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The conversation finished with a brief discussion on press handling. It was agreed to say that the Prime Minister had thanked the Taoiseach for his reaction to the latest developments; and that the two leaders had shared their determination about how progress on the wider peace process could be made.

Ahern asked that we not specifically refer to a telephone call, since he was being asked whether he was doing anything else but speak to the Prime Minister on the telephone. (It was not clear what good this could be since, as the Prime Minister pointed out, it was difficult to see how they could have spoken other than by telephone!)

Comment

Another friendly and constructive call. It brought out once again the difference of interpretation over decommissioning, in a somewhat confused way. But this at least opens the way for the approach you would like the Prime Minister to make to Ahern. The Prime Minister will be looking at this over the weekend, as well as considering whether we actually need to reply to Trimble in writing. As we have discussed, this would be best avoided in many ways, but it will not be easy to justify not replying to Trimble, given the detailed reply we have sent Sinn Fein.

I am copying this letter to William Ehrman (Foreign and Commonwealth Office), Jan Polley (Cabinet Office), and by fax to Sir John Kerr in Washington and Veronica Sutherland in Dublin.

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JOHN HOLMES

Ken Lindsay Esq Northern Ireland Office