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No. 7099 P. 2/5

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cc PB Press

FROM: QUENTIN THOMAS

Political Director 11 July 1997 QT/MR/149

PS/Secretary of State (L&B)

cc PS/Mr Ingram (L&B) PS/Mr Murphy (L&B)

PS/PUS (L&B) PS/Sir David Fell

Mr Steele

Mr Bell

Mr Stephens

Mr Ray

Mr Watkins

Mr Beeton

Mr Brooker

Mr Hill

Mr Maccabe

Mr Lavery

Mr Perry

Mr Warner
Mr Budd CabOffice-Fax

Mr Holmes No.10-Fax

HMA Dublin-Fax

HMA Washington-Fax

Mr K R Tebbit FCO-Fax

Mr Lamont RID/FCO-Fax:

PHONE CALL FROM MARTIN McGUINNESS: FRIDAY 11 JULY 1997

high a/z

After the normal (O'Hanlon/Beeton) preparatory phone call, Martin McGuinness phoned me as planned at 4.30pm. We spoke for just under 15 minutes.

2. We began with a passage about parades. I suggested that a good rule was that nothing was ever quite as good or bad as it first seemed. McGuinness acknowledged that the position was now better than the disaster of last weekend. In response to a question I said that we too regarded last weekend as a disaster. The authorities had been faced with an impossible choice. There had to be a better way of dealing with this issue. McGuinness agreed, though

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Clearly putting a somewhat different construction on the nature of the disaster. But he did not get into prolonged recriminations. He said that he had spent most of the week trying to stop the centre of Derry being burnt down, and Adams had spent the week pulling people out of vehicles they were about to hijack. I acknowledged that I was sure they had all been busy with all kinds of activities.

- 3. McGuinness asked me for my assessment of what had led the Orange Order to agree to drop or re-route its forthcoming parades. I explained that I was not close to the detail of it. But I was sure that what they had done was not as a result of any dirty deal with HMG or, with anyone else. But I was not, he said, expecting him to believe that nothing had been said to them? No, I replied, the Secretary of State and a number of people had been saying over a number of weeks many things to the marching orders to encourage them to find an accommodation or, failing that, to use restraint. What reaction had this received asked McGuinness. I said that it was mixed as one would expect.
- 4. After some further chattering about what had led to their decision,
 McGuinness said he thought he ought to put it on record that whatever pressure
 had been put on the Loyal orders the outcome was very beneficial. It had been
 greeted with a great sigh of relief across the Province. In all probability the
 forthcoming weekend would not be as disastrous as the last. I readily agreed
 that that seemed to be the position.
- 5. I asked McGuinness if he had received my letter of 9 July and what he made of it. He had not had time to study it because of Loyalist "events on the ground". But after a superficial look he thought there was the basis for Sinn Féin to try to move forward with considerable vigour. Sinn Féin would like to be in a position to put something appetising to certain people (i.e. the IRA). They wanted to expedite that. He then focussed on confidence building measures and referred to the passage in my letter which said that "it would be

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unrealistic to expect an immediate and detailed programme of measures on what is a very wide ranging agenda". McGuinness said that Sinn Féin had been pressing for detail and substance on this for over a year. It would be very helpful to have an indication of this, perhaps publicly, soon. Even if the measures could not be detailed he thought it might be helpful for there to be an indication of what we saw as an issue in the negotiations and what would be the agenda for a programme of reform.

- 6. In response I said that the Government had given substance on this issue. There was the passage in the Aide Memoire itself, separate statements by the Government since they came to office on North, on the ECHR and other matters. Moreover my letter had given much more detail on some issues. I was doubtful whether there was much more which could be said at this stage. However if he was suggesting to me that Sinn Féin would find it helpful if some of this was expressed in a speech, perhaps by the Secretary of State, then I could certainly report that to Ministers so that it could be considered. McGuinness urged me to consider seriously what he had said. I assured him that I always did, which amused him.
- approach was that the negotiations, I said that the Government's general approach was that the negotiations should involve any issue which any party wished to bring up. Moreover the Government's general approach was that if any issue secured agreement among the parties then there would be a strong presumption in favour of supporting it. Paragraph 4 of the Joint Declaration said something to this effect. As to what might be done alongside the negotiations, by way of implementing confidence building measures, I noted that with our timetable of reaching the end of the negotiations by the end of May 1998 there was not a great deal of time for reforms alongside the negotiations. But the Government had already mentioned North and the other matters specified.

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- 8. McGuinness suggested that many Nationalists were now asking what the Government meant by confidence building measures. Was what happened on the Garvaghy Road an indication of this Government's approach to confidence building measures. I said that the present Government had made clear its intention to approach the parades issue on the basis of the North Report. But this year, because the previous Government had not moved to legislate, it had had to deal with it without the benefit of the North Report. In that sense this year was a one-off.
- 9. I asked McGuinness when we might hear a more considered response to my letter. He was not sure; but he thought perhaps at the beginning of next week. Meanwhile he hoped we would consider what he had put to me about saying something more and/or publicly about confidence building measures.
- 10. During the conversation McGuinness said he was surprised to learn that copies of my letter were floating around in the States. I said we had found on earlier occasions that Sinn Féin's letters to us were copied to the US Administration and we thought they should see both sides. He did not pursue the matter.

(Signed: Marie Rebello)

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