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PRIME MINISTER

MAINTAINING THE POLITICAL PROCESS

The current turbulence around the marching season strengthens the need to maintain the political process. The brittleness of inter-communal relationships, and the acting out of the underlying tensions through the marching issue, demonstrates how badly needed are routine political mechanisms to develop and sustain a political culture of barter and compromise. This minute concerns the means by which we ensure that we maintain a credible process in pursuit of that objective.

2. This is necessary on merits. But it is also the minimum pre-requisite to securing an IRA ceasefire. There needs to be a process for Sinn Féin to join.
3. The talks process is approaching a defining moment. In a modestly successful day on the 8th July the talks agreed, by consensus, the Chairmen's proposed timetable which envisages a vote on the two Governments' decommissioning proposals, with any amendments which may have been agreed by then, on Wednesday 23 July. If those proposals secure sufficient consensus the three strands and the agreed mechanisms on decommissioning would be formally launched on Tuesday 29 July at which point the Plenary would adjourn until September 15th for the start of substantive negotiations.
4. If that is achieved, there will be much to be done in preparation for the Autumn, but the talks process will demonstrably be well placed, whether or not Sinn Féin join it, for at last reaching the substantive business. That would send a very powerful signal to the communities in Northern Ireland and more widely. It would also reinforce our partnership with the Irish Government.

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5. Of course, achieving that will require the UUP to be brought to support something close to our decommissioning proposals. Recent events have done nothing to increase the Irish Government's readiness to make any further concessions on decommissioning to the Unionists. However our recent exchanges with the UUP, and a meeting which Mr Trimble and his colleagues had with Irish Ministers on Tuesday, are encouraging. There will be further meetings, including one between the UUP and both Governments in Castle Buildings, on Tuesday 15 July. I am sure that, at the right moment, it will be important for you to use your own influence to ensure that the UUP makes this crucial step.

Plan B

6. We must however face the possibility that our decommissioning proposals do not secure sufficient consensus on 23 July. In that case, we will be seen to have reached the end of the road. After 10 months, there will be no achievable consensus on decommissioning and so no route into political negotiations in September. Without intervention, the process is very likely to collapse, having lost all credibility. The SDLP will not engage in further discussion of decommissioning. The Unionists will have rejected the Government's proposals and are unlikely to simply drop the subject, unless the doors were locked on Sinn Féin - which is unacceptable. We should need to move quickly to avoid a dangerous vacuum over the holiday period, and to maintain the pressure for an IRA ceasefire. Officials have already had some informal preliminary exchanges with Irish officials about that scenario. Both sides agree that it is essential that the overall project of pursuing a political accommodation is seen to be maintained, and on a basis which is credible.

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7. I shall be meeting Mr Burke in the Inter-Governmental Conference in London on Friday 18 July. This will be a good opportunity to discuss a possible Plan B, in case we remain blocked on decommissioning, and we know that Mr Burke will want to bring this up.

8. Any approach should be based on certain principles namely:

- consent;
- an outcome acceptable to unionists and nationalists, endorsed by a referendum in Northern Ireland (concurrent with one in the Irish Republic);
- a process which involves the NI parties so they can take ownership;
- which is open to Sinn Féin, offering a political process in place of violence;
- but a process which cannot logjam so easily as the current one, and is therefore driven by both Governments; and
- is still heading towards the basic Joint Framework Document deal.

9. There are various approaches we could consider, though none is without difficulty. We could attempt to pigeon-hole decommissioning; and/or to proceed to lock Sinn Féin out. But the approach I envisage might have the following elements:-

- the current talks process would be suspended, but not killed off. The law requires that in those circumstances the Forum would be brought to an end (though it could again be revived if the Talks process resumed)

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- the two Governments would announce their intention to work, in consultation with the Northern Ireland parties, towards proposals which they would envisage putting to the people of the Irish Republic and Northern Ireland respectively in referendums
- the two Governments would make clear that the consultations would begin on 15 September and that the objective would be to produce proposals across the whole of the current 3-Stranded Talks agenda
- it would be made clear that Sinn Fein would be eligible to join the consultations on the same terms as the talks process requires; namely an unequivocal restoration of the ceasefire established over some 6 weeks by consistency of word and deed. Sinn Féin would also be expected to affirm their commitment to the Six Mitchell principles of democracy and non-violence
- the consultations would take place in whatever configuration the participants agree. They would not formally be roundtable talks so much as consultations conducted under the auspices of the two Governments whether bilateral, trilateral or any other kind of meeting. This “variable geometry” might well make it easier to keep Sinn Fein and Unionist parties in the same process, even if they did not meet each other.
- both Governments would conduct this on the basis of a shared belief, which they would express publicly, that the best outcome would be that the exchanges reached a point where all the parties could once more be brought round the same table. At that point some of the useful aspects of the current process such as the rule of sufficient consensus, could be revived

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- We need to ensure this approach has credibility, and is not seen simply as more talks about talks. The target of producing proposals for a referendum will provide focus and direction. In addition we might envisage retaining the target date of end May 1998 with a timetable leading up to that.
- We might also envisage publishing consultation documents as we proceed. This will provide the basis for a determined effort to recruit public and business support, so that the parties are encouraged to engage constructively.

10. There is an important point to be registered about this approach namely that the stated objective of working towards proposals for a referendum would contain an element of bluff. Neither we, nor we think the Irish Government, would in fact want to risk putting proposals to the people north and south in referendums unless we had co-opted the main Northern Ireland parties to the proposals. Unless that were done the referendum would be bound to fail; and Irish officials recently referred to a "nightmare scenario" where proposals were endorsed in the south, but not in the north, thereby appearing to validate once more Sinn Fein's claim that the north should be subservient to wishes of the greater entity. But without stating the objective of working towards proposals to be put to the people, Government-led consultations might lack credibility.

11. An approach on these lines would provide opportunities, as well as challenges. We may break free of some of the rigidities of the current process, and secure greater flexibility and freedom of manoeuvre.

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12. The need for progress on decommissioning as a confidence-building measure to enable the UUP to sit down with Sinn Féin diminishes, because with 'variable geometry' the UUP will not need to sit down with Sinn Féin. In fact, decommissioning will have proved the rock on which this process founders. It is clear the IRA cannot realistically decommission much - if at all - before an overall political settlement. And Unionists cannot sit down with Sinn Féin without some early decommissioning. Perversely, the end result is no talks and no decommissioning. A better approach, once freed from the constraints of this process would be to make clear that we would work to achieve it, on lines indicated in the two Governments' recent paper, and would ensure that the mechanisms were in place so that decommissioning could start. But we would not inhibit our own ability to continue a dialogue with Sinn Féin, if there were a ceasefire and it were maintained, or with the Loyalists. We would not make this dependent on specific progress on decommissioning, although we would insist it must be resolved as part of any overall settlement.

13. There would of course be important subsidiary questions - including whether we sought to involve Senator Mitchell and the other independent chairmen, partly against the possibility of reviving the current process and whether allowances will remain available for parties taking part.

14. We should need to work hard to ensure that the Unionists, and in particular the UUP, participate in these proposed consultations. They will have reservations about any process led by the two Governments. A number of the other parties can be expected to see advantage in the Plan B approach. The Alliance Party has long called for the two Governments to provide direction. The SDLP, and indeed Sinn Féin, might well welcome such a process; and the Loyalist parties

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would also see the merits of an address to the substance, in which they participate on equal terms.

15. If we are blocked on our preferred approach, then I hope we can give this Plan B all support. If that too fails I believe we should consider a purposive programme of reform in pursuit of our objectives of fairness and justice. We may also want, at that point, to consider beginning to make institutional changes, in the direction we believe to be right.

16. If you are content with this approach I will canvass it with Mr Burke in the forthcoming Inter-Governmental Conference. In the meanwhile my officials will conduct further preparatory discussions with their opposite numbers. In particular they could usefully do some work on the terms of any statement by the two Governments announcing this new approach. It might well be appropriate that any such new departure will be announced by you and the Taoiseach.

17. As I have already mentioned this is a scenario we are working hard to avoid. But it is important that we are well prepared to that we can respond quickly if we do not surmount the decommissioning hurdle on 23 July.

18. I am sending a copy of this to Sir Robin Butler.

A handwritten signature in dark ink, appearing to read 'Margaret', with a long, looping tail.

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