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Ref: BO.2182

MR HOLMES

cc Ms Polley
Miss Collins

HUME/ADAMS

1. In the light of your account of the Prime Minister's conversation with the Taoiseach on 26 October, it is harder than ever to chart an attractive way forward.
2. Breaking off the dialogue with Hume remains notably unappealing, for the reasons in paragraph 10 of NI(96)10: even if the prospects of securing a ceasefire are negligible we would be blamed by the Irish and US governments, as well as the SDLP, for having lost what would be portrayed as a real opportunity to save lives; and there would be a real risk that Adams would publish his latest text and ask, all innocence, why we should have found it unacceptable. His implication would be that HMG had rejected the chance of peace for fear of offending the Unionists.
3. The Taoiseach, however, has made it difficult for us to continue the dialogue, by giving ground without any fight in the face of a predictable tactical gambit from Adams. Is this his last word on the question of a quarantine period? Difficult to be sure, but I doubt it. I should be surprised if he were not ready, in the final analysis, to accept 4-6 weeks, and believe we should not rule out continuing to fight that point (not least because to abandon it completely would be hard, I would suggest, to defend to NI. And to Trimble, if he by now knows about the three month idea, which I guess he may well). The Taoiseach might wish to call that 4-6 weeks something other than a quarantine period - eg exploratory dialogue - but that remains to be tested.
4. The NIO, I gather, are likely to advise that it is worth trying to explore further the possible scope of a new ceasefire

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announcement, though they, like you (and me), are sceptical as to how far that will get. I recommend combining that with continued stress on the case for a quarantine period. That presents a range of options: from insisting on three months to a fudge simply making clear that Sinn Fein could not expect to come in to the talks straightaway. Unless and until we have made the Taoiseach (and by extension Washington) return to a more robust line, it may be best - eg with Hume on 29 October - to stick to a fudge. The chances of getting Clinton to concentrate on this till after his election are presumably negligible, but thereafter I would recommend a message to him from the Prime Minister, pressing hard for support on the quarantine period point.

5. As to how to explore the matter, I continue to see some advantage in a direct dialogue with Sinn Fein: we would then in my view be able to put them under greater pressure than in a dialogue conducted via Hume and Dublin, which leaves them a lot of room for manoeuvre. If however the political disadvantages of direct talks are prohibitive, I would favour continuing to talk to Hume.

6. As to the line to take with Hume, I would suggest a stern lecture about the impossibility after recent events of simply letting Sinn Fein walk into the talks after a ceasefire, combined with strong pressure for more evidence of Sinn Fein's good faith, including a precise indication of the form that a ceasefire announcement might take. The only conceivable way of easing the anxieties which lead us to the quarantine requirement would be to have a more definitive cessation than before.

7. I well understand the Prime Minister's view that continuing to run after Sinn Fein remains very unattractive. Having got this far, however, he would in my view be exposed, if he walked away from the dialogue - in conditions in which a ceasefire was supposedly on offer - to charges of irresponsibility, and there might also then be an increased risk of further violence. I therefore recommend hanging on, at least until we can manufacture an end game in which Sinn Fein are demonstrably left on the back foot.

Colin Budd

C R BUDD

28 October 1996

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