CONFIDENTIAL



10 DOWNING STREET LONDON SW1A 2AA

From the Principal Private Secretary

17 September 1997

Deer Hen,

NORTHERN IRELAND

The Prime Minister and Dr Mowlam discussed the position briefly this morning. The Prime Minister advised against laying down a new decision-making structure or deadlines in the talks which Trimble had not agreed to, at least at this stage. But he was anxious that Trimble should not drag out the process unnecessarily. The Markethill bomb might be a reason for a short delay, but not for anything more significant than a day or two. In any case, it was important that the bombers should not achieve their aim of disrupting the talks. He proposed to have a word with Trimble to make this clear.

Subsequent efforts to contact Trimble proved difficult, but I was able to have a quick word with him just after he got to Castle Buildings. I said that we still hoped to see rapid progress, as agreed, despite the bomb the previous day. Trimble said that his presence in Castle Buildings ought to be sufficient progress for one day. I also suggested that there was no evidence that the IRA were responsible for the bomb. Without this, it was hard to see how Sinn Fein could be ejected from the talks. Trimble's response was that the word he had, from various sources, was that the IRA were responsible one way or the other. He realised that the IRA rescue process would go into action, but the Government should be careful not to be left with egg on its face.

The Prime Minister eventually spoke to Trimble just before he met Dr Mowlam. Trimble was in jovial mood. He said that he had made a tough statement to the media, although they had not understood its significance. He now hoped to make progress on the procedural motion. Indeed if progress was rapid enough, there could even be a plenary later that day at which it could be agreed. This would need to be without debate, as he would find it difficult to be in the same room as Sinn Fein in a discussion just yet – he was deliberately taking things step by step with his supporters.

CONFIDENTIAL

- 2 -

Trimble repeated his claims about the bomb. It was probable that South Armagh PIRA had been involved. The car had been hijacked in Dundalk, which pointed to them. The bomb had also been put in the same place on the same day of the week as the last bomb in Markethill six years before, which had been planted by the IRA. It looked as if an old operational plan had been dusted off and repeated at short notice. The Prime Minister commented that there was no evidence so far on who was responsible. We would certainly be looking into it very carefully.

The Prime Minister welcomed the fact that Trimble was now in Castle Buildings. What did he see as the next step? Was the agreed strategy still on line? Trimble said that it was. The Prime Minister asked whether the three stranded process could be launched in earnest soon, e.g. on 22 September. Trimble seemed to think it could. The conversation ended there, as Trimble was already late for his meeting with Dr Mowlam.

You subsequently brought me up to date on developments. Trimble's suggestion of progress today on a procedural motion was clearly premature, but at least today represented a step forward. As we have discussed, Trimble is clearly enjoying the position he is in, and is taking advantage of it to screw as many concessions out of us and others as he can. We need to be careful that he does not overreach himself in the process. Paddy Teahon made clear on the phone this evening that the Taoiseach was getting nervous. If Trimble did not turn up to the plenary next Wednesday, we would face a serious situation. The Irish are also obviously worried about the divisions in the republican movement.

I am copying this to John Grant (Foreign and Commonwealth Office), Jan Polley (Cabinet Office), Sir John Kerr (Washington) and Veronica Sutherland (Dublin).

Yas are

JOHN HOLMES

Ken Lindsay Esq Northern Ireland Office