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11 OCTOBER 1996

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cc:	PS/Michael Ancram (L&B) T 1996 PS/Sir John Wheeler (L&B) FAST PS/PUS (L&B) FELFAST PS/Sir David Fell Mr Steele Mr Thomas Mr Bell Mr Ray Mr Watkins Mr Beeton Mr Hill Mr Lavery Mr Machabe Mr Perry Miss Bharucha Ms Mapstone Mr Budd, Cabinet Office	- B - B - B - B - B - B - B - B - B
	HMA Dublin Mr Lamont, RID	– В – В

PS/SECRETARY OF STATE (L&B) - B

BREAKING OUT OF THE IMPASSE

I attach a paper setting out a menu of possible options for breaking out of the impasse in the negotiations. I am grateful for helpful comments from a number of colleagues.

- 2. Ministers may want to discuss these options at the strategy meeting arranged for Monday afternoon, with a view to considering whether any should be reflected in advice to Thursday's NI Committee meeting.
- 3. The options are not necessarily mutually exclusive it would, for example, be possible to combine "parking" decommissioning, with changing, or defining more clearly, the conditions of entry for Sinn Féin. But the menu of options is intended to give Ministers an idea of the range of possibilities which could be considered.

- Realistically, we judge the choice is likely to come down to options (b), (c) or (d), or some combination of them. My parallel submission on the latest Hume/Adams text points out a close relationship between the two issues.
 - Whatever way forward Ministers prefer, we shall require the 5. continued support of the Irish Government and at least the UUP and That may suggest that, rather than fixing on a single option, we should float a number of possibilities with these key participants to see if a consensus can be established.

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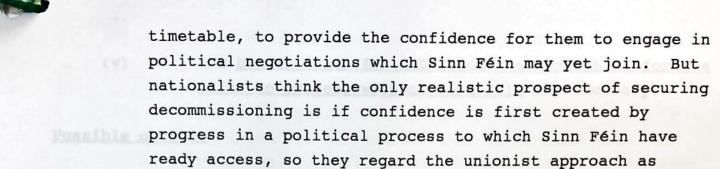
BREAKING OUT OF THE IMPASSE

We now face an impasse in the negotiations. Our efforts to construct a consensus on how to tackle decommissioning have foundered. Unless a way can be found of making progress, the talks will run into the sand.

- 2. The resulting vacuum will encourage violence on both sides making a resumption of loyalist violence almost inevitable; undermine moderate constitutional politicians (particularly the SDLP); produce pressure for some dramatic initiative, whether from HMG, the two Governments (as the Taoiseach wants), or an outside player (such as the US).
- 3. This paper looks at the available options to avoid this outcome or, in the worse case, manage it with the least long term damage.

Nature of the impasse

- 4. Some of the conflicting pressures which have brought about this impasse include:
 - conditions of entry for Sinn Féin. Unionists are fearful of Sinn Féin's entry to negotiations. They are determined to avoid a situation in which they are expected to negotiate with Sinn Féin on political matters without any guarantee that arms will be decommissioned, whether in advance, alongside, or even at any stage during the negotiations. Nationalists remain hopeful of Sinn Féin's entry to negotiations. Consequently, while ready to proceed without Sinn Féin, they will not take responsibility for conditions which would inevitably exclude Sinn Féin;
 - approach to decommissioning. Because of their well-founded doubts about the IRA's intentions, Unionists want a start to decommissioning, or at least a firm



electoral pressures. The UUP look over their shoulders to the DUP and UKUP. The SDLP fears Sinn Féin is close to overtaking it electorally, while the Irish Government (whatever Bruton's personal instincts) must keep its coalition together and is conscious of Fianna Fail's readiness to criticise its approach to Northern Ireland if it can.

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5. This leads to some conclusions:

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- (i) very broadly, the impasse is between unionists and nationalists. It is not between HMG and one party or another;
- (ii) so <u>HMG cannot break the impasse by shifting its</u>

 <u>position</u>: we have to find a way forward on which <u>both</u>

 nationalists <u>and</u> unionists can agree;
- (iii) while the talks remain stuck on decommissioning, both unionists and nationalists can comfortably defend their positions to their own communities: a breakdown is therefore likely;
- (iv) but HMG cannot be comfortable with a breakdown over

 decommissioning. We are currently lined up with the
 Irish Government, with the UUP and other unionists on
 the other side of the divide. Moreover, the more
 unlikely an IRA ceasefire, the more academic is
 decommissioning as an issue;



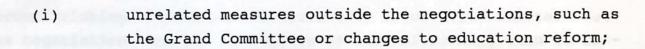
(v) the <u>better issue for HMG is our determination for the talks to proceed without Sinn Féin</u> if necessary.

Possible options

- 6. Against that background, we have examined five main groups of options:
 - (a) bridge the gap over decommissioning;
 - (b) 'park' decommissioning as an unresolved issue, only to be returned to if there is an IRA ceasefire;
- (c) change the conditions of entry for Sinn Féin;
- (d) a 'closing offer' to Sinn Fein: join the negotiations soon or we shall assume you remain outside for at least this round;
- (e) plan for a soft landing in the negotiations.
- 7. Of these, we must bear in mind the need for (e) in all circumstances. All of them are examined in more detail below.

(a) Bridge the gap over decommissioning.

- 8. We could continue to work to bring the Irish Government and SDLP closer together with the UUP. Both most probably have some room for manoeuvre left in their existing positions but, because of the political pressures on them, not much.
- 9. This is what <u>Mr Trimble</u> is inviting us to do, by claiming that the UUP remains open to negotiation. He has suggested three sorts of concessions which might help:



- (ii) minor changes to the two Governments' approach, such as extending the decommissioning Bill UK wide or producing a final decommissioning scheme at the same time as the Bill;
- (iii) greater clarity (or toughness) on the conditions of entry for Sinn Fein.
- 10. The <u>Irish Government</u> have also signalled some flexibility, noting that the proposed Committee is not an end in itself.
- 11. But neither side, having staked their positions out in public, is about to abandon them wholesale. The UUP (before Lisburn) have declared they would not sit down with Sinn Féin before decommissioning had started. They would be crucified if they now abandoned that position after Lisburn.
- 12. But the Irish Government will not sign up to a precondition which they are convinced is undeliverable and is not supported by nationalists. And having, in their view, given a series of concessions to Mr Trimble in expectation of a positive response they will be extremely wary of treading further down that road.
- 13. Our judgement is that any prospect of straightforwardly bridging the gap on decommissioning is now remote. Whether the effort were made by the two Governments, by the SDLP and UUP in bilaterals, or by some intervention by the independent chairmen (as suggested by Mr Campbell Bannerman), the gap is too wide and too public to be bridged.

(b) Park decommissioning

14. We face a paradox. Everyone in the current talks wants to move on to the three strands. Everyone knows there is no prospect of

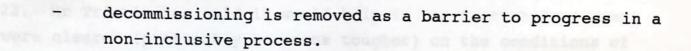
decommissioning without an IRA ceasefire, which seems remote. Yet the negotiations are set to founder on decommissioning when it is - for now - an entirely academic subject.

- 15. We could acknowledge this by 'parking' decommissioning:
 - decommissioning would be left unresolved;
 - the current participants would move straight into the three strands;
 - if Sinn Féin were admitted in the future, then at that point all the participants would return to agree how decommissioning would be tackled before continuing in the three strands.
- 16. Such an approach could be implemented:
 - (i) either by sufficient consensus among the participants;
- (ii) or by the two Governments declaring they would convene the three strands on a set date on this basis (with the extra risks that carries);
- (iii) in tandem with <u>both</u> Governments putting the necessary legislation and other practical measures in place.

 This would provide unionists in particular with reassurance.

17. The <u>advantages</u> are:

neither side gets what they want. Unionists do not get the 'decommissioning cage'. But nationalists get no guarantee that the negotiations will not immediately logjam again if Sinn Féin ever join them;



18. But there are disadvantages too:

- an IRA ceasefire takes everyone back to the impasse (although, if political progress has been made in the meantime, it may be easier to resolve);
 - unionists may think this would allow Sinn Féin to veto progress without them; and
- nationalists may see it as leaving the key to Sinn Féin's entry in Mr Trimble's pocket.
- 19. Irish officials have said decommissioning would have to be parked on an explicitly neutral basis that is, with the two Governments' proposed approach remaining the preferred solution.
- 20. Both the UUP and the Irish Government have seen some attractions in 'parking' decommissioning in some way: it looks a viable approach, but not the only one.

(c) Change the conditions of entry

21. The shadow of Sinn Féin hangs over the negotiations. Their entry is what the UUP fear, calculating that politically they could not sit down with Sinn Féin without some tangible decommissioning or a firm timetable for some. Even if — as may now be likely — Sinn Féin have turned their back on these negotiations, the UUP will still fear the possibility of their entry, however remote. But, however remote an IRA ceasefire now looks, nationalists will not join in slamming the door for good on Sinn Féin, as unionists might want.