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FROM:

QUENTIN THOMAS Political Director 29 October 1997 ID/251

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Pine Minister (4) A thoughful piece, While you mjut like

to see, not Coest it the Gut it you disunius with the SOUP certies this

PS/Secretary of State (L&B)

PS/Mr Ingram (L&B)

PS/PUS (L&B) PS/Mr Semple

Mr Steele

Mr Leach

Mr Bell

Mr Watkins

Mr Stephens

Mr Woods (L&B)

Mr Beeton

Mr Brooker

Mr Hill

Mr Ferguson, Cent Sec

Mr Maccabe

Mr Priestly

Mr Whysall

Mr Sanderson, Cabinet Office (via IPL)

Mr Fergusson, RID, FCO (via IPL)

HMA Dublin

Mr Warner

Mr Cooke, Cabinet Office (via IPL)

Mr Holmes, No.10 (via Ms Rebello)

PS/Mr Murphy

POLITICAL TALKS: THE STATE OF THE NEGOTIATIONS

I thought it might be helpful to offer some reflections on where the negotiations have reached so far.

As was brought out in the Business Committee meeting this morning, there is a shared frustration that the participants have not yet fully engaged. (Some of those present expressed this in terms of an "impasse" - but most readily agreed that the real problem was a different one: namely lack of engagement, perhaps especially from the UUP, so far.)

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My own sense of this is that most of the participants have in common that they have confined themselves at this stage to setting out their opening positions, positions from which they will no doubt retreat during negotiations, and yet are demanding that others should instantly reveal their bottom line! Unsurprisingly no party has been ready to start putting its cards on the table unilaterally.

In spite of all this some of the preliminary skirmishes have given us some idea of the elements of a possible deal. I prepared the attached paper with my own current analysis which I thought others might be interested to see.

(Quentin Thomas)

QUENTIN THOMAS

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