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JEHOL.
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Prime Minister

IRISH PRISONERS

I attach a paper prepared by officials here and in the NIO on options for handling prisoner issues in the event of a final, stable settlement and in the shorter term.

- 2. You may wish to discuss this with Mo Mowlam and myself. For my own part, I would be very reluctant in the light of current intelligence to take any further measure at this stage which could be interpreted as a substantial concession to terrorists, other than in the context of guaranteed peace and a final settlement. We will, of course, press on with the outstanding repatriation requests as quickly as possible.
- 3. I remain open-minded on whether there is a case for signalling now that some flexibility might be shown on prisoner releases in the event of a final settlement and the extent to which we begin to discuss publicly the form this should take. Any early release of prisoners will always be very difficult to defend; but it would be easier if it could be presented in the context of a wider approach to reconciliation in the aftermath of a settlement, building on the other factors that will form part of such a settlement. With that qualification I think some form of Commission on the lines proposed in the paper probably represents the best way forward in the event of a final settlement in which early release of prisoners has to play a part (although the details will need further consideration).
- 4. The immediate question is whether the gains of playing this card now outweigh the obvious political and presentational difficulties. If you believe that there is a good chance that by doing so we may keep the peace process on the rails, or even that we need to play the card in order to demonstrate that we have done everything we can to keep it on the road, there is a case for giving it serious consideration. If something has to be done I certainly favour an initiative which looks beyond a final settlement, rather than any new move (such as changing the status now of transferred prisoners) which might go sour on us only too quickly, which may in any event cut little ice with Sinn Fein, and which we could not retrieve if the cease-fire broke down.

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- 5. In the meantime, we are now proceeding with the transfer to Northern Ireland of Martin and the repatriation to the Republic of Donnelly. There has, however, been a further development in the case of the Balcombe Street gang. We have now, for the first time, received representations on tariff from one of the prisoners (O'Connell). This means that I will have to review the decision that I have taken not only in O'Connell's case but probably the others as well. But this does, at least, give us a legitimate reason, which we can explain to the prisoners, for further delay.
- 6. Mo Mowlam, who has seen this minute in draft and has endorsed its terms, has commented that she would welcome a discussion as soon as practicable. She considers that we must retain control over the timing of any announcement if we are not to lose the initiative. In the meantime she would welcome approval for her officials to continue working on aspects of a possible scheme, including taking legal advice on its possible operation.
- 7. I am copying this letter to Mo Mowlam and to Sir Robin Butler.

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