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Via NI Lul and Coman 2/1

FILE.

10 DOWNING STREET LONDON SW1A 2AA

From the Principal Private Secretary

SUBJECT

2 January 1998

Filed on:

Dear Ken

NORTHERN IRELAND: CONVERSATION WITH DAVID TRIMBLE

Following various discussions between the Prime Minister and Dr. Mowlam, the Prime Minister spoke to Trimble this afternoon on the telephone for some 15 minutes.

The <u>Prime Minister</u> began by saying that he understood that things had taken a turn for the worse in Northern Ireland. He had therefore wanted to talk through events with Trimble. <u>Trimble</u> agreed that the problems were serious – worse than he had thought when he had last spoken to the Prime Minister. There were continuing difficulties within his own party, but also worsening noises from the loyalists about confidence-building measures for republicans and about their continuing presence in the talks. The murder of Billy Wright had tipped things in favour of the hardliners in one, and perhaps both, of the loyalist paramilitary groups. As Dr. Mowlam was already aware, there was a story around that "Ulster Resistance" would release weaponry to extreme loyalists. This would be a very worrying development. Underlying all this was a lack of confidence on the part of the Protestant/Unionist community in what was happening.

The <u>Prime Minister</u> said that this was why he had been so keen to get agreement in December on Heads of Agreement. That would enable the Unionists to see that a united Ireland was not on the agenda. <u>Trimble</u> agreed that it would help if people could see that the outcome would be broadly acceptable to them. He added that the UUP conversation with the Irish earlier in the week had been quite encouraging, both on North/South questions and constitutional issues, although there were still some areas of difficulty. He thought there was a need for urgent action next week to move things forward and stabilise the community. The trouble was that the talks procedures were too laborious and timeconsuming. The situation was too urgent to wait for them, so some pre-cooking

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would be essential. He was putting some thoughts down which he proposed to send the Prime Minister over the weekend. They would draw on the previous draft Heads of Agreement and the ideas the UUP had been discussing with the Irish. He would be interested in talking again on 5 January, when the Prime Minister had had a chance to look at these ideas.

The <u>Prime Minister</u> agreed that the key issue was to make progress quickly. This should help calm Unionist fears. He remained convinced that some kind of Heads of Agreement was the route to take. People needed to see that the solution would not involve a united Ireland. <u>Trimble</u> cautioned that Heads of Agreement must also not look like an escalator leading people towards a united Ireland. The <u>Prime Minister</u> agreed. The trick was to ensure that the East-West and North-South arrangements were formulated in such a way as to make clear that this would not be the result. He thought the Irish genuinely wanted a settlement on reasonable terms. He agreed with Trimble that urgent action next week was required. But, in addition to the question of substance, there was a question of procedure. Where should any initial draft/initiative come from: HMG, the UUP, Mitchell? It would also be desirable to tie in Hume.

<u>Trimble</u> agreed, but made clear that he had not thought through the important issue of the provenance of a new text. It would certainly need a broad base of support.

The <u>Prime Minister</u> said that it was crucial not to let the extremists dictate the agenda. <u>Trimble</u> agreed. The game of the men of violence on both sides – to collapse the talks – was obvious and must not be allowed to succeed. The <u>Prime Minister</u> asked how the loyalists could be influenced. <u>Trimble</u> said that the <u>UUP</u> were trying, but it was difficult to be sure how much success they were having. White was probably more influential than McMichael with the UDA. There was obviously a risk that some in the UDA had decided to help the LVF, just as some in the IRA could have had a hand in the INLA killing of Wright. He was meanwhile concerned that INLA would mount another attack in Belfast soon, with IRA help.

The <u>Prime Minister</u> mentioned the pressure for an independent inquiry into the Maze. He was not himself convinced that a full-blown judicial inquiry would help, since it might only obscure the real political issues. <u>Trimble</u> said he rather agreed that a public inquiry was not necessary. But he had told Dr. Mowlam that she would need to do as much following the recent incidents as Michael Howard

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had done following the Whitemoor escape. Anything else, and the opposition could be expected to make hay. But, essentially, all this was a side-issue.

The conversation concluded with Trimble repeating that he would send the Prime Minister a note on Sunday, and agreement that the two should talk/meet on Monday.

Comment:

explicit criticism of the NIO, beyond references to a general lack of confidence, and he was encouraging on the need for urgent progress in the talks. He did not seem too concerned about the Maze problems – at least, he did not take the opportunity to talk about them in detail when the Prime Minister gave him a chance.

Following this conversation, the Prime Minister is strengthened in his view that an independent inquiry by Lord Lloyd is not a sensible way forward. But he is content for Dr. Mowlam to make clear that Narey's terms of reference will be expanded to look at the wider problems in the Maze, and that both his report and that of Sir David Ramsbotham will be published.

I am copying this letter to John Grant (Foreign and Commonwealth Office), Jan Polley (Cabinet Office), and by fax to Christopher Meyer (Washington) and Veronica Sutherland (Dublin).

Your st

// JOHN HOLMES

Ken Lindsay, Esq., Northern Ireland Office. THIS IS A COPY. THE ORIGINAL IS
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