



Reddick
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Yes

Prime Minister

NORTHERN IRELAND: NEXT STEPS

Last week was a real breakthrough in the talks. The tabling of the Propositions (attached for colleagues) has rightly been seen as a highly significant step forward by the media, both national and international. Much of this success is of course a result of your own direct involvement in agreeing the Propositions paper: your 'shuttle diplomacy' has reinforced the point that Northern Ireland will remain one of this government's highest priorities. The positive mood has carried through in the talks. Both the UUP and the SDLP have welcomed the paper generally, and all the parties are prepared to work with it.

The Irish Government and Sinn Fein

2. There are increasing signs, however, that it is putting the Sinn Fein leadership under severe pressure within the movement. As we had feared, the Irish government may not have been as attentive as they could have to bringing Sinn Fein along with them. It is, of course, in our strong interest that they are brought along too. This may have implications for our handling of the process over the period ahead. You will be having a meeting with them later today which should be helpful. Of more help would be if we could persuade David Trimble to engage with Sinn Fein.

Frameworks or not?

3. The immediate proxy battle is over whether 'Propositions' is a fundamental departure from 'Frameworks'. Our agreed line with the Irish

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Government is that we remain committed to the positions set out in 'Frameworks'. We must stick to this in public and private. The SDLP have also signalled that their bottom line is that the North/South Ministerial Council must have executive powers.

The UUP

4. David Trimble's public statements about the relationship between the intergovernmental Council and the North/South Ministerial Council are of interest. While presenting the he regards the intergovernmental Council as an "umbrella", he also said that the North/South Council 'would not be subject to it in the sense of being overruled....all parties...are autonomous.' This is a helpful sign.

5. Not so helpful (and perhaps dangerous to Trimble in the longer run) are his claims that 'Propositions' represents a fundamental departure from 'Frameworks'. The Daily Telegraph leak - although far removed from the outcome - continues to do damage. It feeds a perception that Trimble had an inside track and got his way.

The Primacy of the Process

6. Our immediate task over the weeks ahead will be to maintain the momentum which we have successfully built up by concentrating the participants' energies on the process, in order to flesh out the Propositions through negotiations in the Strands.

7. The expectation of the parties now seems to be that the two governments will be more dynamic in driving the negotiations forward. Although they have welcomed the Propositions, a number of the smaller

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parties, particularly the PUP, feel bruised because of handling of the last few weeks. They resent the fact that a deal was done outside the process, and fear that this undermines the Castle Buildings negotiations, and their own contributions. We should, therefore, keep as much focus as possible within the talks process in the immediate future.

8. We have provisionally agreed with Irish officials a schedule for the next few weeks, beginning this week with discussions on Strand 1 and Strand 2 issues (in '2 plus 2 format'). We should aim for some substantive progress to be achieved by the end of the Dublin leg (18 February). But the Irish, SDLP and the UUP all take the view that it would be premature to table papers at this week's meetings. However, we are keen that these discussions should have real purpose, and will thus use substantive oral presentations to keep the key issues firmly under consideration.

London Meeting

9. The UUP have now agreed to the talks moving to London from 26-28 January (and to Dublin in the week beginning 16 February). We shall want to establish the London meeting as a significant one, but without unduly raising expectations of further 'breakthroughs'. I am keen to use the opportunity to portray the process - and therefore all the participants in it - as engaged in extremely important business which HMG takes very seriously.

10. I am grateful for your provisional agreement to host a drop in on reception for the participants at Lancaster House on Tuesday 27 January. A number of colleagues will be invited and will, I hope, make it a priority to attend.

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11. I am also keen to stimulate informal contact among the parties, and with 'outsiders' who could bring lateral thinking to bear on some of the issues. For example, I have in mind some exposure to developments on Scottish and Welsh devolution with Donald Dewar and Ron Davies, if they are willing.

Getting down to substance

12. We face a tight timetable. To hold the referendum in May, before the marching season, we need agreement no later than Easter.

13. We face some particularly delicate issues on policing and prisoners. On the latter, my statement to the Maze prisoners said that we were prepared, in the Liaison Sub-Committee on Confidence Building measures to work up an account of what would happen on prisoner releases in the context of a peaceful and lasting settlement. An early further discussion with you and Jack Straw would therefore be helpful.

Security Situation

14. The recent incidents are serious - and largely undertaken by those outside the process on both sides. The Chief Constable has already decided to increase Army patrols in some areas, to protect against LVF attacks, where there had previously been reductions following the IRA ceasefire. I will continue to be in close contact with my security advisors to ensure that the necessary steps are taken. We will also continue to act to reduce the fears within the community of a downward spiral of violence, and to emphasise that the situation is not out of control. The best way to increase confidence remains political progress and we shall continue to do our utmost to build on our recent success.

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15. I am copying this to IN colleagues, Donald Dewar, Ron Davies, the Lord Chancellor, the Attorney General and Sir Richard Wilson.

A handwritten signature in blue ink, appearing to read 'Marjorie Mowlam' in a cursive script.

MARJORIE MOWLAM

19 January 1998

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