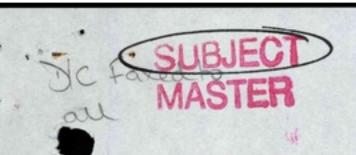
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10 DOWNING STREET LONDON SW1A 2AA

From the Principal Private Secretary

be JB AR AB JEH Prick

12 February 1998

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SECOND CONVERSATION WITH THE TAOISEACH, 12 FEBRUARY

The Prime Minister and the Taoiseach spoke again this evening for ten minutes, following several preliminary conversations between myself and Paddy Teahon. The <u>Taoiseach</u> began by saying that he had just seen the statement issued by the IRA, which asserted that the IRA ceasefire remained intact and talked about their continued desire to facilitate the search for democratic and inclusive negotiations.

The <u>Prime Minister</u> said this did not seem to help, since there was no denial of their involvement in the murders, and no disassociation or condemnation. The RUC Chief Constable's view of IRA involvement was very clear. We had also looked at the evidence, and were convinced that the murders had been sanctioned by the IRA. This was very clear in the DAD case. Circumstantial evidence in the other case was very strong, and on the basis of our intelligence, the assessment that this too had been authorised was very clear. We wanted some time if possible to try to find a way out of this, but it looked very difficult. There was no doubt that, if we applied the rules, Sinn Fein would have to leave the talks.

Ahern said that he had been talking to his own people and he would dearly like to find another reading of the position. There was no doubt the IRA were responsible, although the Irish could not say whether it had been sanctioned. However, if the Prime Minister said that it had been authorised, he obviously accepted this.

The <u>Prime Minister</u> said that the only possible way out was if the IRA said that they had had nothing to do with the murders and strongly disassociated themselves from these acts, and Adams condemned it. This might at least open

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up an argument. But he was not sure there was much likelihood of these things being said, and it was in any case a bit late.

Ahern agreed. They had been pushing Sinn Fein hard, and the statements so far were the only result.

The <u>Prime Minister</u> said that, if Sinn Fein were not removed from the talks, he feared the UUP would walk. It was frustrating that those responsible for the murders were playing right into the hands of those who wanted Sinn Fein out. He repeated that very clear statements by the IRA and Sinn Fein now might help, but he was not sure they would really work. The other possibility was to put Sinn Fein out of the talks, but with the clear possibility that they could come back reasonably quickly, as we hoped the UDP would. It would of course have to be very clear that this would not be possible if there were more killings.

The <u>Prime Minister</u> went on to outline the kind of statement Dr Mowlam was likely to make. We thought it was better for her to say something than leave the Chief Constable to do so. We hoped he would keep reasonably quiet afterwards.

Ahern said that our assessment was probably right, although he had the impression that the political people were not aware of the murders. The Prime Minister said that it was possible the attacks had been sanctioned at an earlier stage when killings of Catholics were underway. He understood the pressures which led to this, but we were still not faced with much of an option. If the Unionists walked out we would be left with nothing. Ahern agreed that we would be worse off in this scenario. It looked as if there was no way to avoid putting Sinn Fein out. The Irish would see if they could get some kind of understanding with Sinn Fein, on the basis that they could come back in again at a later stage. But if this was not possible, we would just have to act anyway, although it was not impossible that something useful might happen in the meantime.

Ahern went on that there was no doubt the IRA were losing some of their own numbers to the 32 Counties Sovereignty Committee, although this was more the case in the Republic than Northern Ireland. He would fill in the Prime Minister at a later stage about the numbers involved. These were the very people who were trying to undermine the process.

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The <u>Prime Minister</u> wondered whether Adams and McGuinness might not at some stage have to engineer a break. <u>Ahern</u> said this was not impossible. The <u>Prime Minister</u> went on to endorse the thought that, if we had to put Sinn Fein out of the talks, this could be on the basis that they had a way back in. But if they rejected this, we had to push on with the process anyway. One consolation was that it might be easier to negotiate with Trimble in these circumstances. The shame was that he thought Trimble had been getting close to talking to Sinn Fein.

Ahern concluded that they would work on Sinn Fein on the lines agreed straightaway, and get back to us when they had some news. The Prime Minister thanked him and said that they should stay in close touch.

Comment

Once again, Ahern was remarkably helpful and co-operative – a lot more so than Teahon had led me to believe. I subsequently sent Teahon a copy of our statement. He came back with one comment about mentioning the parties, but otherwise seemed content.

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

JOHN HOLMES

Yan ee

Ken Lindsay Esq Northern Ireland Office