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From the Principal Private Secretary

30 January 1998

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PRIME MINISTER'S MEETINGS WITH POLITICAL PARTIES, LANCASTER HOUSE, 27 JANUARY

The Prime Minister met all seven political parties present in the Talks, followed by the Irish Government and the Independent Chairmen, when he visited Lancaster House on 27 January. Each meeting lasted about 10 minutes. Dr Mowlam, Paul Murphy, Quentin Thomas, Alastair Campbell and I were there on our side. I am grateful to Clare Salters and Alan Whysall for their help as notetakers.

Alliance

Alliance was represented by Lord Alderdice, Seamus Close, Sean Neeson, Kieran McCarthy, Stephen McBride and Eileen Bell.

Alderdice started with three points. First, while it was important that the Prime Minister and Taoiseach should attempt to push things forward, the parties were increasingly expecting the governments to do everything, which would not work: they should be discouraged.

Second, on security, he thought that there was reasonable confidence in the community in what the RUC were doing about recent murders. But both the LVF and the INLA had indicated that they intended to go on. It must be made clear to them that they were on "the road to nowhere". He welcomed the decision on Monday about the UDP. We should go on showing that all violence, including punishment beatings, were unacceptable.

-2-

Thirdly, it was important that we should plan for events after an agreement in Talks – it was easy, but mistaken, to focus on the current process alone. He spoke of "fast-tracking" a referendum, and planning Parliamentary business.

The <u>Prime Minister</u> said we would be delighted to stand back more from the process, if that were possible. It would be an enormous help if the parties were to engage with each other. <u>Alderdice</u> agreed, though acknowledging that Mr Empey had been very good earlier in the day: and it could be said that Sinn Fein were not engaging with the political realities. He was not critical of the Government's effort: the parties in Northern Ireland had had 30 years in which they needed to take no responsibility, and that created difficulties.

Alderdice, concluding, reflected that everyone in the Talks knew what the outcome would be, but everyone was avoiding it, not wanting to take responsibility. The Prime Minister agreed: there were not as many tricky issues as was made out. He was glad that Alliance found the process as frustrating as he did.

Labour

Labour were represented by Malachi Curran, Hugh Casey, David Bleakley, Alan Evans and Martin Dummigan.

<u>Curran</u> said that, as a betting man, he would not put good money on agreement; he recalled feeling very pessimistic before Christmas and said that he had hoped that the move to London would bring real discussion but had been disappointed. The UUP and SDLP should get together more effectively.

<u>Bleakley</u> reminded the Prime Minister that the Power-Sharing Executive had been brought down by unionists, because the Westminster government had lost its nerve (although he acknowledged that the present government "meant business"). However, we were now 20 years on and he thought that all sides were nearly ready this time to agree on a compromise.

Casey explained that participants were being subjected to the same old rhetoric in each meeting and agreed that all the parties were opting out of constructive engagement and criticising the governments instead. Picking up on this, Evans acknowledged how frustrating this must be for the governments when the outcome was likely to be relatively straightforward – an Assembly in Northern Ireland and some all-Ireland institutions with a remit that could be extended in the future if desired.

-3-

The <u>Prime Minister</u> recognised that the various sides were not very far apart, commenting ironically that parties' degree of reasonableness in suggesting compromise often tended to be indirectly proportionate to their ability to pull off a deal!

Northern Ireland Women's Coalition

The Women's Coalition were represented by Monica McWilliams, Pearl Sagar, Bronagh Hinds and Kate Fearon (of Democratic Dialogue).

They had four main themes. Ms McWilliams led on first, about involving everyone in the process. She agreed it was necessary that people who "thought themselves central had their egos stroked". But it was also important, and increasingly so as the process advanced, to keep others on board, and seek if possible to ensure that everyone in the Talks had a sense of ownership of the outcome. Ms McWilliams stressed that she was not criticising the Government: the Secretary of State and Mr Murphy had played a blinder, and the Prime Minister had their 100% support.

Ms Hinds came in on a similar theme, which she characterised as the definition of the "centre". There seemed at times to be a tendency to see the centre parties as the UUP, Alliance and SDLP; and sometimes to rely on them to bring in the other parties if they could. This was mistaken in several ways. It was not accurate to characterise some of the other parties (by implication the loyalists) as extremists. And it was important to bring everyone into the process. She added that it would be unhelpful if a final agreement excluded the UDP.

Though she was happy about the role of the Prime Minister and Taoiseach in backing the process, Ms Hinds, like Lord Alderdice, was concerned to make the parties take responsibility. The process would not advance if they were not obliged to engage. It was very important, too, to ensure that Sinn Fein were built in to any outcome.

The <u>Prime Minister</u> replied briefly. He understood the problems when things happened outside the process. He would prefer if there were no need for him to be involved. At times, however, it was necessary to ensure the Talks moved on, though he knew how frustrating it must be for some participants.

-4-

Ms Fearon spoke briefly of discussions the Coalition had had with Mr Ashdown. There had emerged the suggestion of some reaffirmation of a shared approach on the Talks by the three main party leaders at Westminster jointly.

Ms Sagar spoke of the Coalition's efforts to build up the Talks. They were constantly talking to people throughout the community, emphasising the importance of the process. Among civic leaders, they found a wide measure of belief in what the Talks were trying to do.

<u>Dr Mowlam</u> praised the Coalition: they added a great spirit of positiveness to the process. The <u>Prime Minister</u> mentioned that Mr Ashdown had been pleased with his meeting with them.

Progressive Unionist Party

The <u>Prime Minister</u> then met the PUP, represented by Hugh Smyth, David Ervine, Billy Hutchinson, Winston Churchill Rae and William "Plum" Smith.

Smyth said that the PUP were in a particularly difficult position now that the UDP had left the talks. He emphasised that his party was "not a satellite of the UUP" and that they demanded to be treated equally in terms of meetings, while recognising the larger mandate of parties such as the UUP and SDLP.

Smith said that the PUP had seriously considered withdrawing from the process in response to both the seeming over-emphasis on confidence building towards nationalists and the inside track which Mr Trimble appeared to have to No 10. They were not prepared to risk their lives for a process in which they were treated as second-class citizens. Ervine reinforced this theme. The UUP abdicated responsibility when they ran to the Prime Minister whenever they did not get what they wanted. The Prime Minister explained that he would be happier if everyone took the initiative and everything happened within the talks process but added that, when he saw things getting log-jammed, he felt it was his duty to act to keep people in the process. His objective was to continue to push on the talks.

<u>Hutchinson</u> commented that the reason that the paramilitary groups with which the PUP was linked were not involved in the recent spate of violence was the Propositions on Heads of Agreement paper; while the PUP had not liked the way it had come about, they nevertheless recognised it was one of the most

-5-

important documents to have been tabled so far. He added that it was hard to make progress in Strand 2 when Sinn Fein refused to engage in Strand 1. They had to accept that Northern Ireland was part of the UK, just as the other side had to accept North-South structures. The <u>Prime Minister</u> hoped that Sinn Fein were now conditioning their own constituency. For him, the issue in the end was whether or not we could get the UUP and others to engage in discussion of the detail. <u>Smyth</u> commented that, having drawn up the legislation for Scottish and Welsh devolution, in his view the governments should do the same for Northern Ireland. As the Prime Minister was leaving, <u>Smith</u> registered the urgent need to see movement on prisoners after 3½ years of ceasefire.

Sinn Fein

Sinn Fein were represented by Gerry Adams, Martin McGuinness, Alex Maskey, Francie Molloy and Barbre de Bruin.

Adams saw the preparation of the Strand 2 paper as the governments taking charge, and welcomed it. That was how the process would move forward. It was wrong to say that responsibility could be handed back to the parties. The governments were going to have to provide the "bridge" to advance in the talks. The situation in Northern Ireland was very dangerous, as killings continued. He thought Mr Trimble would "settle down"; but if he did not, then increasingly he would be sending signals to the "right wing" in Northern Ireland. For his part, he continued to stress the importance of negotiating up from the Framework Document.

There was also a need for progress outside the talks. The reaction of the loyalist paramilitaries was the reaction of people anywhere in a situation where they were faced with change. The unionists had to be edged towards the reality of the need to negotiate.

There was a special sense of hurt in nationalist communities at the moment, even as compared to the experience in previous years, because of the indiscriminate nature of the killings. And people could not understand why the IRA did nothing about it. He drew an analogy with a group linked to the Tory party killing Hindus in London.

McGuinness said that, when he had been to the taxi office where Mr McColgan, one of the recent victims, had worked, he had felt embarrassed when asked what he was going to do about the killings. Would there ever be a

-6-

British government that would stand up to Trimble, and to the loyalist death squads?

Adams continued that the resentment expressed in the Talks today by the unionists reflected their belief that the script had to be essentially unionist. Adams did not believe Trimble had any intention of talking to him, though a part of him might think it was the right thing to do.

The <u>Prime Minister</u> said that the most important thing was to secure substantive progress. He believed the Chief Constable was doing his best against the killers.

Adams (referring back to earlier conversations with the Prime Minister) said that the matter should not be viewed as Britain carrying the white man's burden among the warring Irish. A change of attitude had to be brought about, and it had to be in all-Ireland terms. South Africa was an example of such changes in attitude coming about: he had met the whole range of parties there, and none of them supported apartheid, in contrast with the position a few years ago. In the United States 30 years ago, lynching of black people was seen as legitimate. There were parallel attitudes today in Northern Ireland.

Around the table, Alex Maskey had been shot twice and someone shot dead in his living room. Francie Molloy had similar experiences. The change in attitude would have to come; Trimble, or someone like him, would one day have to talk to Sinn Fein. The British government had its own tests to face: on Bloody Sunday, where the Prime Minister would have to take on the whole establishment since Adams believed the event was planned; on prisoners – for instance in the case of the Balcombe Street people, who had spent 14 years in solitary confinement.

The <u>Prime Minister</u>, replying, said that he had no problem standing up to the unionists, if that was right. But a settlement had to be one that everyone could live with. He thought it possible to achieve such a settlement. There was no sense of acceptability anywhere in the British system about the killing of Catholics, though there was a culture in some parts of Northern Ireland that tolerated it. That had to be changed.

Adams warned him that there were nastier elements than those who had been put out of the talks the previous day. The <u>Prime Minister</u> acknowledged that. He acknowledged also the difficulties for Sinn Fein, who would have to sell

-7-

a settlement well below their starting position. McGuinness spoke of the need for justice. The Prime Minister assured him that he could guarantee justice in the sense of equality of treatment. In the broader sense, justice was something to be found in the negotiation of a settlement.

Social Democratic & Labour Party

The SDLP delegation comprised John Hume, Seamus Mallon, Sean Farren and Mark Durkan.

Hume began by saying that he thought they had had one of the most positive days in the talks to date and that the Governments' document had been most valuable. The parties were now concentrating on the substance. He believed that the centrality of "agreement" should be a reassurance to the unionists. In any new institutions, both sides would have to work together and break down the current divisions. The EU could be a model. At present, mistrust was the biggest barrier to cooperation. Mallon noted that, although there was often a feeling that people were making every effort to please the unionists, the ball was now in the parties' court. He also suggested that it would be helpful, sometime after the Dublin visit, for the participants all to be closeted away for 3 or 4 days away from the media. The Prime Minister commented that, while it was his preference that the detail be sorted out by the parties within the talks, he was not sure how far that was possible. Hume reported that the SDLP had proposed a bilateral meeting with the UUP to discuss the issues in depth.

The <u>Prime Minister</u> went on to say that the recent murders had been very destructive; he was anxious to show that there was progress in the talks so that the tiny minority of thugs could not succeed in derailing the process. <u>Farren</u> observed that the UUP/No 10 discussions had diminished confidence in the talks process. He noted that there had been an absence of any constructive proposals from the UUP who, when faced with a difficulty, appeared simply to run to the Prime Minister. <u>Durkan</u> agreed: it was hard for the SDLP to develop a relationship with the UUP when the latter had an outside link and therefore saw no need to engage. The <u>Prime Minister</u> indicated that he had constantly urged the UUP to engage; he explained that they needed a comfort zone to ensure that they stayed in the process and he had therefore provided that. The SDLP's relationship with the Irish Government was easier than the UUP's with HMG. If he went the extra step with the UUP, it was in the interests of keeping them in.

-8-

UUP

The UUP were represented by Empey, Maginnis, Donaldson, Peter King and later David Trimble, when he returned from media interviews. They were clearly unhappy from the start and became seriously bad-tempered after Trimble's arrival.

Empey led off. What had happened during the day over the Strand 2 paper was a symptom of something that had to be resolved: yet again, papers had been prepared without the knowledge or consent of the UUP, on the assumption that agreements reached between the governments could be forced on the unionist community. The UUP acknowledged it was necessary for the government to negotiate with the Irish; but the Irish appeared to recognise no reciprocal obligation, preferring to rely on HMG as "a cudgel to force the Framework Documents down their throats".

It would now appear to their supporters that the progress the UUP had thought they had made, culminating in the Propositions paper, had been reversed – that was the spin being put on it. The Government needed to remember that 40% of the unionist community was not at the talks. It must be realised that the Frameworks model would never have the support of the unionists.

The <u>Prime Minister</u> said that most others in the talks regarded the UUP, especially Trimble, as having an inside track not available to them. The Propositions had been aimed at getting away from the question of Frameworks. He could not say that he resiled from Frameworks. Nothing would give him greater pleasure than to be more removed from the negotiation, with the UUP and the SDLP sorting out the details together. Everyone knew the broad outline of an outcome: there would be an Assembly; there would be North/South bodies, which would have only those functions with which the parties agreed, and in which everything would be done with the mandate of the Northern Ireland institutions. Presentation was probably the most difficult aspect of the question (though he did not minimise the other difficulties). The Propositions document had led nationalists to think the Framework documents had been ditched. If they wanted to see the Propositions document in the context of Frameworks, then that was up to them. The important point now was for the talks to focus on detail.

Empey said that work on the Propositions document had been the first time in 15 years that unionists had been involved in preparation of a document from the beginning. Now that approach had been abandoned again. Donaldson said

-9-

that people in Northern Ireland would revert to the view that the talks had a predetermined outcome. The content of the Strand 2 paper would lead people to think that the outcome was going to be Frameworks. He understood that the Prime Minister could not resile from Frameworks. But the paper went further.

He pointed out the difficulty of the situation. It only needed one murder on the Shankill Road for there to be no sufficient consensus in the talks (the PUP, presumably, having been expelled as a result of UVF action). The UUP wanted the process to work. Nationalists had seen the Propositions as a move away from the Frameworks. It was not necessarily in fact so. As soon as Sinn Fein had protested, however, the "rescue brigade" came in. It was clear that the objectionable passage in the Strand 2 paper was intended to send a message to Adams and the Army Council.

The UUP had told its supporters that it could achieve things through negotiation, and the Propositions document was proof of that. But people would no longer believe that line, after the SDLP statement earlier in the day. In their public response the UUP had not wanted to say very much: but they had had to do some things that they did not like because they had to show people in Northern Ireland that they were strong.

There had to come a point where the Prime Minister was prepared to say that he resiled from the Frameworks Documents. If the choice was between the Framework Document or no agreement, there would be no agreement. The Prime Minister said that the SDLP would have to portray any agreement as the implementation of Frameworks, while the Unionists would have to say the opposite.

Maginnis interrupted. It had to be recognised that the UUP had moved a great distance. They had come to accept a responsibility-sharing arrangement. They had moved to a North/South accommodation. He did not understand why others could not say that they resiled from the Framework Document. There was no point in the Propositions document if it did not represent such a move.

The <u>Prime Minister</u> said that the important thing was to debate the Propositions document. At this point, Trimble entered and straightaway said "You've lost it". The <u>Prime Minister</u> said that he did not accept that. <u>Trimble</u> retorted that he was the only person who did not. The <u>Prime Minister</u> urged the necessity of discussion and debate.

- 10 -

<u>Trimble</u> would have none of it: they had over the past week, following the Irish Times article, repeatedly asked about the Strand 2 paper, but been refused sight of it. They would never again place themselves in this position. <u>Donaldson</u> came in. The Irish Foreign Minister had told them more about the Strand 2 paper than HMG had. He had read to them from a draft of the document. Finally, it had been delivered to them as a fait accompli. This was ignominy for them.

Maginnis said that they were going off to the House of Commons to talk to colleagues. They would be told that, as feared, they had been betrayed. They had spent a fortnight going around colleagues, seeking to get them enthused about the possibility of progress. Now all that was lost again, for about the fifth time. Paisley and McCartney would not let the moment pass.

Trimble came in again, vehemently as ever. There was a more serious problem. He had paid a great deal of attention to what the Prime Minister had said at the Chequers meeting about Frameworks, and also at their meeting on 5 January. What he had done on the Propositions document was on the basis of what the Prime Minister had said to him. Now in view of what had happened, and the way it had happened, he had to reconsider his approach. Most officials in the Northern Ireland Office were treacherous. He had no confidence in the Secretary of State. He thought the process was basically finished, and their role in it from now on would be to say "no". The centre of gravity of this Government was not where he had supposed.

The <u>Prime Minister</u> emphasised that his position had not changed in any way. But if we could not talk through the detail, the position was hopeless. The purpose of the Propositions was to set out in non-neuralgic language the three elements of the likely agreement.

<u>Trimble</u> said that he did not expect the Prime Minister to reject the Frameworks: he understood that. But recent events had shown the Irish working with Sinn Fein to put the Frameworks back in place as the sole outcome. What was most serious of all in the papers circulated that day, though it had not yet been picked up, was the reference in the East-West paper to 10 paragraphs of the Framework Document on North-South structures. <u>Comment</u>: Trimble is of course wrong about this.

Paul Murphy last week, in introducing proceedings in Strand 2, had brought up lots of points from Frameworks. In Strand 1, the NIO had brought

- 11 -

up again the question of the Panel, when he had thought that it was generally agreed this had gone. The whole thinking of the NIO was Frameworks. They worked more closely with, and thought more of the Irish, than the unionist community in Northern Ireland.

<u>Donaldson</u> said that Frameworks was an island of Ireland solution. He had thought that they were on course for a Northern Ireland solution, but the proceedings of the day had taken them back to where they were.

Irish Government

Finally, the Prime Minister met the Irish government: David Andrews, Liz O'Donnell, Ted Barrington, Dermot Gallagher, David Donoghue and Martin Mansergh.

Andrews gave a brief resume of the day's events and emphasised how much the Irish government appreciated the Prime Minister's interest and personal involvement in the process. He explained the problems caused by the UUP's refusal to engage with Sinn Fein; the Irish had had a bilateral with the UUP that morning and suggested they might engage but with no result. The Prime Minister said that he thought the important thing was to get all the parties discussing the detail. His preference was for this to happen in the talks. Andrews spoke of "parity of pain" in recent presentational ups and downs. Barrington thought it significant that Seamus Mallon had described the day as the start of real negotiations.

The <u>Prime Minister</u> said that what worried him was that presentation was so important to Strand 2: how could it be framed in such a way that each side could present it in a positive light to their own community? <u>Andrews</u> agreed: but emphasised that unless it were possible to get North-South bodies with strong executive powers it would be very difficult for the Irish government to sell changes to Articles 2 & 3. The <u>Prime Minister</u> pointed out that the unionists had to be able to tell their supporters that the process was not leading inexorably to a united Ireland. <u>Gallagher</u> suggested that there was something in Propositions/Frameworks for everyone: for nationalists there would be the North-South bodies; for unionists, an end to the hated Anglo-Irish Agreement, amendments to Articles 2 & 3, East-West relationships and an Assembly.

The <u>Prime Minister</u> concluded the meeting by repeating that he remained stubbornly optimistic about the prospects for an agreement.

- 12 -

Comment

A useful exercise, giving all parties the chance to have direct contact with the Prime Minister. The contrast between six relatively happy parties, moaning mainly about David Trimble's "comfort zone", and the UUP, complaining bitterly about being betrayed and frozen out, could hardly have been starker. It illustrates clearly the fundamental dilemma we face in handling the UUP, on which I will be writing separately.

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

Yun ere

JOHN HOLMES

Ken Lindsay Esq Northern Ireland Office