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10 DOWNING STREET
LONDON SW1A 2AA

SUBJECT
MASTER

FAXED

Filed on:

From the Principal Private Secretary

19 February 1998

Dear Ken,

**MEETING BETWEEN THE PRIME MINISTER AND
JOHN BRUTON, 19 FEBRUARY**

John Bruton called on the Prime Minister for half an hour this afternoon, accompanied by Roy Dooney. David Brooker (NIO) and I were also there.

Bruton was very appreciative of the Prime Minister finding time to see him. He began by raising three points:

- (i) the duty free issue within the European Union. He was keen that this should be reopened, although he did not have great hopes of success. He would write to the Prime Minister about this;
- (ii) the ability of Irish beef to be freely sold and exported as a genuine product on the British market. Again, he would write.
- (iii) his concern about the Irish community in Britain, which seemed to have a higher suicide rate than the surrounding population, and to have a high rate of social exclusion. He did not know the reasons, but thought this should be looked at. It could perhaps be considered in the context of the Unionists' proposals for British citizens in Ireland being able to retain their Britishness. Perhaps reciprocal arrangements could be organised? Again, he would write.

On the peace process, he urged the Prime Minister to continue to look at the big picture. Despite the current difficulties, he thought progress was inevitable. He hoped the Prime Minister would invest a lot of time in the detail.

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The Prime Minister said it was good to see John Bruton again. He had good memories of their cooperation. He agreed that the parties in Northern Ireland were, paradoxically, closer to agreement than ever before. The Propositions Document, whatever the difficulties surrounding it, had been a breakthrough with the Unionists. However, we were now in an impossible situation over Sinn Fein. There was no doubt about IRA involvement in the two murders. He did not really want to throw Sinn Fein out of the talks, but if they were not expelled, the Unionists would leave anyway. Meanwhile, the Sinn Fein public relations effort was as effective as usual.

Bruton said he regarded the Mitchell principles as fundamental. Given the current lawless nature of Northern Ireland, he thought that these principles would be required even after a settlement, for example for those wanting to participate in the new institutions. It was right both in the long and short run to hold to the line the Prime Minister was currently taking. There had to be due process but the approach was fundamentally right. He hoped the SDLP would not be undermined by this.

The Prime Minister said that the SDLP were under pressure, but people had either to shoot or talk. They could not do both. Bruton made two comments about the Unionists' position. They would have to accept that North/South institutions were free-standing, however limited they turned out to be in practice. The Unionists could not boycott them. Second, they had to accept that there was mutual dependence between Strands 1 and 2. They could not make institutions under Strand 1 work unless they themselves allowed the institutions under Strand 2 to work. Moreover, he thought that their insistence on a simple majority in the Assembly would not work.

There was also a brief discussion of Iraq, about which Bruton was worried. He raised particularly the threat of terrorist retaliation if force had to be used. The Prime Minister explained our policy along standard lines, adding that he did not think the threat of terrorism was in fact very serious.

Comment

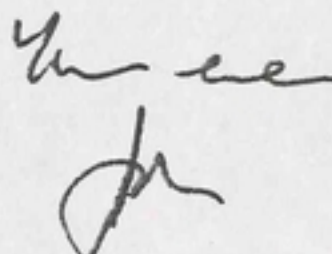
The interesting point of the meeting was the absence of any suggestion from Bruton that we were being too hard on Sinn Fein.

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

A handwritten signature in dark ink, appearing to read 'John Holmes', with a stylized flourish at the end.

JOHN HOLMES

K. Lindsay, Esq.,
Northern Ireland Office.

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