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From the Principal Private Secretary

23 March 1998

Dee hen.

## CONVERSATION WITH THE TAOISEACH

The Prime Minister and the Taoiseach spoke on the telephone for about 10 minutes this evening. Ahern said that his Cabinet had met earlier in the day to go over the ground. He thought his people were now ready to have a good crack at a settlement. In particular he thought that, whatever happened by Wednesday in the talks themselves, Irish and British officials should meet on Wednesday evening, Thursday and Friday to reach an agreed position between ourselves. In parallel, David Andrews would hold bilaterals with all the Parties, and he understood that Mo Mowlam would do the same. So by Saturday, we should have a complete document between us. Meanwhile, Paddy Teahon would send me a draft text on the North-South arrangements, which contained some changes from the version we had sent them.

On the Irish side, some of the public, and indeed some of his own people, were becoming predictably worried about Articles 2 and 3. The answers to these worries had to be that constitutional change plus North-South bodies was a better deal than the status quo for Northern Nationalists. But the public would take some convincing of this. In order for North-South bodies to work, there had to be effective collective responsibility on the Northern Ireland side. Otherwise, the North-South arrangements would end up being totally frustrated by the Northern Ireland Assembly, as they had always been in the past. That would certainly be the intention of Paisley and McCartney. Representatives of the Northern Ireland Assembly had to have the power to make decisions and act on them in the North-South Council. For the rest, he was happy with the progress being made on the equality agenda, particularly on policing. He thought all this could be worked out. The two most difficult issues were constitutional change and meaningful North-South bodies.

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The <u>Prime Minister</u> said that any idea that the North-South Council could act irrespective of the Northern Ireland Assembly's mandate would be difficult. But he understood the point that the Northern Ireland Assembly representatives would need to have some authority. He was trying to persuade Trimble that there had to be some kind of executive in the Assembly. Nevertheless, any representative going to the North-South body and going outside the Assembly's mandate would obviously cause difficulties, as it would on the Irish side.

Ahern said that if a Northern Ireland representative could not talk about anything at the North-South Council without constantly referring back to the Assembly, this would not work. He did not think this was what would happen in practice. But it had to be clear that the Northern Ireland executive called the shots, not the Assembly itself. The <a href="Prime Minister">Prime Minister</a> said that there had to be a way round this problem. Ahern agreed. He could not imagine that, say, Trimble, Hume and Adams going to meet Irish Ministers would want to be in a position where they could not say anything effective without checking back with the Assembly. The North-South body also had to have legal powers.

The <u>Prime Minister</u> said that he agreed that people should work together on this issue this week. Meanwhile, he would need to take Trimble's temperature. <u>Ahern</u> repeated that 85-90% of the agreement could be done relatively easily. But to get the constitutional changes through, there would have to be real pluses for the nationalists on the North-South side. He was also increasingly convinced that Sinn Fein would have to be carried with us. Otherwise, the SDLP would find itself in too difficult a position. He was in any case increasingly convinced that Sinn Fein were heading in one direction, while the 32 Counties Sovereignty Committee headed in another.

## Comment

Paddy Teahon has since sent me the attached text. As you will see, it is loosely based on our own, but goes a good deal further in various areas. As expected, there are many provisions which the Unionists will find it difficult, if not impossible, to accept. I would be grateful if the experts could take a quick look at this. We then need to decide on the next steps. The obvious alternatives are to send detailed comments to the Irish, or send them a revised text taking on board as many of their suggestions as we agreed, but reflecting what is likely to be saleable to the UUP. I assume we should not show Trimble this Irish text, for fear of the likely reaction.

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We also need to decide how to respond to the Irish proposal to intensify bilateral negotiations on a complete text at the end of this week.

I am copying this letter to Jan Polley (Cabinet Office).

In see

JOHN HOLMES

Ken Lindsay Esq Northern Ireland Office