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22 August 1996,

Professor Sir Trevor Smith, Chairman, The Joseph Rowntree Reform Trust Ltd, The Garden House, Water End, YORK YO3 6LP.

Dear Trevor,

I wanted to get back to you as soon as possible after yesterday's announcement.

As you can imagine, I am delighted to have made it to Westminster, albeit not to the chamber that I had planned. The response from throughout the party, and indeed in general in the wider community, has been very positive indeed, and I am very enthusiastic about the opportunities that this new platform will give me to speak out positively and strongly for Northern Ireland, and to work for a resolution of our problems. I am certain that in no small measure I owe this new position to the assistance which Rowntree has given, for it is that help which has enabled me to play a prominent role as party leader, and without that I am sure that I would not have been considered for a seat in the Lords. It obviously gives Alliance a boost, but as Jeffrey Archer said yesterday, if it is to have more than a short term effect, it must be used effectively, and that I fully intend to do.

There is immediately the problem of course of who should replace me in East Belfast, for the Westminster Election. This constituency remains far and away our best prospect for a seat in the Commons, and as I said yesterday to the press, one of my ambitions now, is to ensure that Alliance is represented in **both** Houses at Westminster. Clearly I can use my new position to support this in a new way, but we need to fill the place with a good person.

I have already begun to address the problem, and the party will make a formal decision as soon as possible. Discussions are under way and I am optimistic that we will have a very suitable candidate formally in place within a few weeks. The papers are already speculating on Peter Osbourne. He is a local councillor in the area. He is young, but very mature. A local man, born in a housing estate, worked through to grammar school, and now a successful management consultant. He was President of Young Alliance, during some difficult times, and built it up in a quite dramatic way. He is

currently the Alliance Spokesman on the Economy, and he was my running mate in the Forum Elections. He is an excellent fellow.

Peter is not the only good possibility, but is the front runner in the newspapers, and would be extremely good. I will keep you informed of how this goes. The choice of runner is a very crucial one, since we are clearly talking of someone who could become a very significant figure in the party and, in time, in politics here.

Just a few words about the result of the Forum Election and what has been happening since. (I sent some material on this to Rowntree in early July.)

In electoral terms it was a disappointment, rather than a disaster, for Alliance. The perverse system the government decided to use was a half-breed between the systems used for the European Election, and for Local Government Elections. These two elections bring radically different results for us. The more centralized the system, the worse we do. The Euro-election which has only one constituency of the whole of Northern Ireland is consistently the worst of all for us. The result of the Forum Election ($\sim 6.5\%$) was half-way between the poor result of the last Euro-election ($\sim 4\%$), and the last Local Govt election (just over $\sim 7\%$), and was therefore probably partly (though only partly) a function of the system used.

Despite the perverse system however we had hoped to do much better. A great deal of work was put into the campaign. Seats where we had the best hopes were targeted. Huge amounts of good quality literature were produced and distributed in these target areas. In my own constituency of East Belfast for example we delivered some 120,000 items of literature during the campaign (vastly more than any other party). Some houses got five or six items from Alliance at different strategic points during the campaign.

With your assistance we employed an absolutely first rate Press Officer, Paul McErlean. A number of journalists contacted me subsequently to tell me that in their experience of him during the campaign, he was 'absolutely the best around'. In view of the effort put in by the workers, and the good quality campaign (also commented upon by a number of the journalists), one could only regard the result as a disappointment. It was not that we had lost out to some competitors in the centre. All such alternative groups were wiped out. The result was clearly a reflection of a deep polarization within the community. The SDLP lost out to Sinn Fein, and the Ulster Unionists lost out to the DUP, indeed the only redeeming feature was the fact that the DUP also lost out a little to the 'Loyalist' parties which despite being associated with paramilitaries, are more politically constructive.

In summary then, the people voted for confrontation rather than compromise, and almost everyone who might have been expected to compromise (UUP/Alliance/SDLP) lost out to those who refused any form of compromise (SF/DUP). This was a very bad sign indeed.

The Forum, when it met, started off fairly mildly, but within a week or two it descended into unpleasantness, especially on the part of the unionists. The Talks from the start got nowhere. This was not just because Trimble was being careful to

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keep his back covered against attacks by Paisley and McCartney (and in this he was of course in any case unsuccessful). It was also, more ominously, because Trimble refused to accept the basis for the Talks, negotiated and accepted by UUP/DUP/Alliance/SDLP, and the two Governments in 1991. When the summer recess in the Talks arrived at the end of July, nothing of real substance had been agreed, despite a huge effort of time and talk. George Mitchell returned to the States very downbeat about the prospects. I myself am less than sanguine about what can be achieved now in this current process, and I fear that the autumn is pregnant with profound threat.

I am currently working on an analysis of the peace process thus far, and the implications for the future, and have been asked to give it at a presentation at the start of the BIA, and I look forward to a chat with you soon about how I see things at present.

Again my sincere thanks for your sustained interest, and for the much appreciated generousity of Rowntree.

PARTY LEADER