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FROM: P N BELL, AUS(L)
14 March 1994

Mr Thomas

- cc PS/Secretary of State (L&B)
- PS/Michael Ancram (L&B)
- PS/Sir J Wheeler (L&B)
- PS/PUS (L&B)
- PS/Mr Fell
- Mr Legge
- Mr Steele
- Mr Watkins
- Mr Williams o/r
- Mr Wood (L&B)
- Mr Brooker
- Mr Daniell
- Mr Dodds
- Mr Maccabe
- Mrs Brown
- Mr Archer, RID
- HMA, Dublin
- Mr Caine

1 cc ✓ M. Beeton & — Grateful for any
 M. Modell — comments.

2 Book to me (with additional copy please).
 Jan 14/3

POLITICAL DEVELOPMENT - CONTINGENCY PLANNING

Against a dark background

Despite Ministers' efforts (to say nothing of your own), there seems no chance of multilateral talks for the foreseeable future. Certainly not this side of the Euro Elections in June, after which will come the Summer Break and more delay, and, if Dr Paisley triumphs, a political climate still less favourable to compromise. More immediately, although the Irish have now permitted their officials to engage in drafting with us in the Liaison Group (indeed, have mandated them to do so intensively), their approach differs significantly from ours. And, even if last week's IGC was encouraging, earlier Irish behaviour in the Liaison Group had led us both to question the sincerity of the Irish commitment to the Talks process, as opposed to some other forms of 'inclusive dialogue' such as the Forum.

2. It remains hard to determine how far the Irish and SDLP (whose leader seems sometimes to have degenerated into being Mr Adams' PR

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man), still have any hopes of Sinn Féin (who, as my US contacts also suggest, may well be putting their real hopes on a future Labour administration). How long their bad eminence on the political scene will remain is unclear. But their words (and actions) will continue to do nothing for the Talks process while confirming all the Unionists worst suspicions. They are likely to encourage, in particular, the UUP to move steadily from ambivalence to outright hostility to the Talks process and an aversion to the '26 March Rules' that probably goes far deeper than electioneering. The DUP are back in the position they like best of free-wheeling, political guerilla warfare. The Alliance are helpful, but pygmies.

3. In sum, even if the Talks process still cannot be written off - it has refused to lie still in its coffin for so long now, and it will be the Autumn before issue of a death certificate becomes, if it does, a central issue - it may well have settled into a state of stable equilibrium enabling the other players to act and re-act in a numbingly circular motion without making any progress towards establishing the 'new relationships' at the heart of the Talks enterprise.

The need for a fall-back position

4. Against this political background (on which I hope to minute again shortly) combined with officials have a duty to ensure that Ministers have (and, if necessary, are seen to have) honourable, intellectually coherent, and publicly defensible 'fall-back' positions available if they cannot make the progress they wish over the coming months. (If those 'fall-backs' have the further advantage of galvanising players into a more productive set of exchanges, so much the better.) It is also psychologically important that, faced with likely increasing contacts and intensifying pressure from the Irish to resolve our differences in an Irish sense ("we are after all the only people who share the commitment to the Talks etc"), we are all clear that there are other - and positive - approaches open to the Government. (This is not an

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argument for refusing to negotiate with the Irish; it is, however, one for not making excessive or premature concessions in the belief that 'there is no alternative'.)

5. Many of the possibilities were first addressed in my submission of 9 June last year. This updating minute represents a first step towards providing Ministers with an 'Annotated Agenda' of the options available to them if and when it becomes apparent that the Talks process really is going nowhere, or our tactics lose public credibility (eg as we run into damaging criticism as the Euro election campaign gains momentum).

6. The first option in these circumstances remains that of a White Paper (which the Prime Minister has in any case virtually told us to keep to hand against, if necessary, early deployment). A comprehensive draft exists; the main arguments pro and con were rehearsed in my June 1993 minute. Most recently we have benefited from exchanges between officials in London, Belfast and Dublin.

7. All I would add now, therefore, is that, first, I do not see the distinction between seeing a White Paper as writing 'finis' to the current round of Talks, or providing a basis for further discussion as necessarily so sharp as recent minuting might suggest. What we would be offering, after all, would not be a British 'blueprint'. It would be, presumably, our 'best guess' at what a generally acceptable settlement might look like. It would be presented so as to maximise support among reasonable opinion formers in the British Isles. We both, I think, believe that the kind of ideas to be found in 'Heads of Agreement' are, and would be seen by many as good ones! It would include those elements around which, if there is ever to be agreement, political debate is likely to circle for the indefinite future, however sharply individual parties reacted in the short term. Not of course that one can ignore the fact that, having regard to Irish reactions to our innocent 'notions paper', Dublin might be incandescent at our publication (handling the Irish must feature largely in any planning we now do); nor that any proposals circulated publicly in this way would encourage the parties to

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strike public attitudes, rather than incite them to negotiate seriously. But these, you may think, are more likely to be short term reactions, and we could ride them out especially if we could demonstrate we had 'gone the extra mile' in trying to get substantive proposals out of the Irish and failed.

8. But even if the counter arguments were stronger than I believe them to be, they do not seem to me necessarily to be the clinching ones. Ministers have also their own position to protect, which is separate from our wish to develop a political consensus with the Irish Government and the Northern Ireland parties. They might, for instance, need to have something both to show for their efforts, either faced with fundamental criticisms of both their 'peace' and political during the Euro election campaign, for instance. And, also to demonstrate that they have not run out of constructive and workable ideas.

Moving to accountable democracy in Northern Ireland

9. But I see a 'White Paper' as doing rather more than setting out the background to the Talks process, and bringing out that, whoever was responsible for a stalemate, it was not the British Government. Thus, while a White Paper might re-affirm the Government's strategic vision and the consistency and even handedness of our approach in terms of the three stranded process etc, it might also give the Government cover for improving 'accountable democracy' in Northern Ireland. What those innovations might be are dealt with in subsequent paragraphs.

10. A public statement, in the form of a White Paper, therefore, and which brought out expressly that the Government's medium to long term goal was a comprehensive settlement on well-established lines, might create room for a range of improvements in the government of Northern Ireland, in ways compatible with the Talks process philosophy, as interim measures. (This might also increase the pressure on the Irish Government and Sinn Féin.) At the very least,

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it would be a significant - and productive - change to have the Irish relating, however critically to begin with, to a political agenda not of their (or wider Nationalist) making.

11. We have also briefly discussed the possible timing of a White Paper. My own preliminary view is that the publication of a White Paper might generate excessive heat if published during an election campaign and might encourage the parties to commit themselves to unhelpful positions; my preference would therefore be to go, if we go at all, for publication afterwards, against a background when it was apparent that the present malign equilibrium was likely to persist indefinitely. On the other hand, as para 4 above suggests, if we come in for fierce criticism of inertia, obstruction or worse during the Euro-election campaign, the balance of advantage could change in favour of publication. As it could also if we return to the conclusion that the Irish now are only playing us along. In such circumstances, it might be better for HMG to set up its stall confidently and accurately, rather than, by silence, tacitly accepting guilty for all of which we will stand accused.

12. I hope these and other issues will be explored more systematically in the submission which SIL are planning, and which could be with Ministers very shortly.

Improved Direct Rule

13. A feature of the arguments so far is that a White Paper could, apart from demonstrating the integrity and other virtues of HMG's approach, also point the way ahead to an interim period of 'improved direct rule'. That is to say, a period in which there would be - either explicitly or by implication - a moratorium on political development activity (though one would not expect bilateral contacts to cease; indeed, in many respects they would be positively encouraged with the Government continuing to work, though with no illusions about early success). But a period nevertheless emphasised what the Government is doing in Northern Ireland by way

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of good government in the broadest sense. The approach would recognise and build on the widespread opinion that, for most people in Northern Ireland, things are very far indeed from being bad (indeed are getting better). It could also take advantage of the widespread scepticism about local politicians and their ability to work constructively together. (An advantage of a White Paper might also lie in addressing a wider public 'over the heads of the local politicians' with whom, however, we should still have to do business.)

14. Such a programme might involve such elements as:

- White Paper*
- a. a major speech (or speeches) by the Secretary of State and Departmental Ministers on such themes as the legislative programme, the environment, the regeneration of Belfast and Londonderry etc; and,
 - b. highly publicised programmes of visits etc by Departmental Ministers to institutions etc within their areas of responsibility.

You will have seen the recent exchange of minutes between me and Mr Watkins about the possibilities of this approach. You may think it has merits independent of the other political courses discussed in this minute.

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15. My own view is that there is great merit for the Secretary of State in particular to be identified with 'bread and butter' issues also and not wholly with 'High Politics'. We may well also now have reached what the wider market can bear in terms of speeches aimed rather conspicuously at Sinn Féin (and the wider Nationalist community). As we have consistently argued (and recent research from the University of Ulster supports - to say nothing now of Mr Molyneaux), we neglect 'Protestant alienation' at our peril.

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Additional options

16. Such activities, imaginatively presented, would help counter possible allegations of 'political vacuum', governmental paralysis following the 'failure' of the Joint Declaration in terms of both 'peace' and the Talks process, as well as graver charges that, in the absence of Irish (or Sinn Féin approval), the Government was unable or unwilling to grip the Government of our part of the United Kingdom. But they would also be valuable in themselves.

17. The coming Select Committee is the first example of measure which is, in fact, wholly defensible in terms of 'good government' (and wider Parliamentary support than one might have feared). The same message might be reinforced by some or all of the following (some also dealt with in my June minute):

- a. the rejuvenation of local government (for example, by building on their augmented role in respect of community relations and economic development (including an EC dimension) to give them a role in regard to planning matters - there is apparently little by way of local strategic vision at present - subject to safeguards. (This is a possibility we have tentatively explored only last week with DOE.)

In abstracto, we could encounter Irish/Nationalist resistance: one can anticipate the cries of 'internal settlement' 'Unionist blackmail'. That is, of course, why whatever the Government should do must be, and, so far as it is possible, be seen to be within the spirit of Talks process. (It would be one of the functions of a White Paper to help ensure this.) There could also be administrative problems.

However, and in the absence of anything more appetising on offer, the possibility of real political power - especially in Nationalist dominated District Councils - could be much

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more attractive to all shades of opinion than current rhetoric allows. Meanwhile Nationalist opposition in Belfast could be reduced when they learn of the greater efforts to be made in respect of "Making Belfast Work". In grass root terms therefore - as opposed to Emyrean inhabited by Mr Hume and the DFA - it is an idea which may have much going for it, and which is wholly defensible in terms of democratic accountability and, at local levels, cross community acceptability. (CPL stands ready to offer further advice, in collaboration with DOE(NI).)

- b. Less attractive might be reviving an NI Assembly (with minority safeguards). The difficulty is that, in the absence of a comprehensive settlement, there would be a high risk of a SDLP (and Sinn Féin) boycott. However that is not an entirely conclusive argument against: Lord Prior's Assembly did much useful work before it degenerated, post 1985, into an anti Anglo-Irish Agreement shouting shop, and was dissolved. Also Mr McGrady has recently made some tantalising noises about Northern Ireland needing an Assembly (and without apparently any caveats about this being in the context). Nor would I at least envisage such an Assembly having more than advisory, scrutinising and deliberative functions on the lines of that earlier Assembly in the absence of a comprehensive political agreement.

A less controversial alternative might, however, be the updating of legislation concerning Assembly elections, now badly out of date. This could be a useful signal that the Government was keeping its house in order for the time being and a Assembly might come about; it would help to reinforce the message that the search for a general accommodation continued; and it could provide some reassurance to the Unionists. (We could explain to the Irish that this was a prudent housekeeping measure - to ensure that our legislation was up to date but which would not, in itself, pre-determine

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any outcome to new political talks. We might even ask for Irish proposals under Article 4 of the Agreement.) (ESL has just conducted a review of what needs doing.)

- c. Regular meetings, possibly even weekly, between the Secretary of State and NI politicians. (Departmental Ministers might also meet the parties on a similar basis.) Such a forum (or fora) might comprise NI MPs (although this would exclude Dr Alderdice) or leaders of the main NI constitutional parties (or their various Departmental spokespersons).

One would hesitate to wish this anticipation of Purgatory on Ministers. But such meetings could either be a supplement to, or a less controversial alternative to the re-establishment of an Assembly. Either way, they would provide regular opportunities for, hopefully, constructive debate on economic and social issues in particular. But also, for example, on those security matters which, even after a political settlement, might remain within the responsibilities of the Secretary of State for some time to come. (Indeed, it is more than arguable that if existing co-operation did become politicised (and the DVA Ireland - would diminish.)

Reassuring Nationalists

18. Such a (part) programme, falling in Strand I areas, would be criticised by many as meeting primarily Unionist concerns. But HMG only has freedom of action in the North; the measures contemplated fall squarely within the set of measures likely to result from an agreement; and many Nationalists would benefit directly - as they ought, indirectly, from greater Unionist confidence that they were not the unloved spouse of a dead marriage. I have already implied that our policies could be less geared to Sinn Féin susceptibilities.

19. Nationalists might also be the major beneficiaries of a number of other options, for example:

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- A Bill of Rights, whether or not 'ring-fenced' for Northern Ireland. My recent submission portrayed this as a measure which is, to many, attractive on the merits; acceptable, in principle, to all political parties in Northern Ireland - even though they may not yet have fully thought through the implications; and arguably of greater attraction to Nationalists (in some cases, however, because they naively believe it will be a device for crucifying the security forces). It is not, however - see the "Blueprint for Stability" - unacceptable to Unionists.

- Whatever forms of greater cross border co-operation (security, economic, European) we could sign up the Irish too which was to our real benefit, as opposed to the cosmetic. Experience suggests that one should never over-estimate the possibilities. Especially if the Irish were peeved that we were not working to their Agenda. It is also proved hard in the past to identify areas where, in administrative terms, there is greater scope for cross border co-operation than the great volume that already goes on away from the political spotlight. (Indeed, it is more than arguable that if existing co-operation did become politicised (and the DFA became involved), its net benefit - and to both parts of Ireland - would diminish.)

- Proposing a second review of the Anglo-Irish Agreement. Apart from potentially reducing hostility to local government reform, or reviving an NI Assembly (or updating its enabling legislation), such a proposal might both suggest to the Irish we remained serious about our relationship. Given too that the UUP have often indicated that they are happy for HMG to discuss Strand III matters with the Irish Government, this could meet with widespread acquiescence.

More particularly, it might also provide an opportunity for reviewing the operation of the Agreement as it affects the NI

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parties. We know that, on the one hand, Mr Spring claims to want closer contacts with the Unionists; and that, on the other, the Unionists resent British and Irish Ministers meeting together and discussing, in private, matters which affect their parties and the people of Northern Ireland. One idea might be to develop some new arrangements which would allow party leaders (or teams) to be briefed by the Secretary of State and Mr Spring after IGC meetings (and possibly even to be consulted before them).

This could be a first step on the gradient back up to round table talks; it would also introduce local NI inputs into the Intergovernmental process; reduce the secrecy of the process - which detracts both from its legitimacy and gives its opponents ammunition; and it would also impose a discipline on the Irish Government to reconcile its partisan agenda with its 'inclusive' rhetoric. One recognises the difficulties of persuading the Unionists to participate. But that is no conclusive argument against establishing arrangements they could use if they wished. (In any case, the Alliance Party would probably participate and act as a sort of Unionist proxy as well as on their own account.)

Security Options

20. 'Improving direct rule' conspicuously means also dealing more effectively with terrorism. There are a number of legal ideas currently around (eg 'the Chief Constable's agenda'). But, on the assumption that the Republican Movement will continue on its murderous courses, opinion poll evidence suggests that there would be a greater acceptance in both parts of Ireland for firm measures against them. Colleagues on the Security side will doubtless have their own ideas, though, personally, I have yet to be persuaded that the reintroduction of Detention is an idea whose time has come. I have yet, in fact, to be persuaded that the 'Defeating Terrorism' strategy is in any need of emendation: remorseless attrition;

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sensitive and interlocking wider policies - certainly no 'own goals'; "no blinking" - until the Provisionals conclude the game is up.

21. For myself, I would look in the first instance to an intensification of security co-operation with the Republic which the PUS/Dalton Group already has in hand. We are told that the Taoiseach is 'vengeful' and that his patience with Sinn Féin is running out. His Dáil remarks after Heathrow were commendably robust. It may, therefore, be that he may become more willing to contemplate new (joint) initiatives than hitherto - although, Irish lack of enthusiasm at, say, a White Paper could easily dampen that enthusiasm. But if he is willing, one should not lose sight of a matter to which I gather the Home Secretary attaches increasing importance, namely improving intelligence co-ordination with the Republic. This subject, which surfaced at a recent meeting I held to discuss the lessons for Northern Ireland of security co-operation throughout Western Europe, I shall report on separately.

Conclusion

22. The reason for rehearsing this Agenda (a 'White Paper', options for 'improving direct rule') now is less to urge these measures on the Office (at least without much more further consideration, with papers set firmly in the 'planning for Talks mode', against the risk of leaks) than to demonstrate that there would be a respectable agenda for Government in the continuing absence of progress in the Talks process but, conceptually, remaining within the framework of the three stranded analysis in which Ministers have invested so much political capital. It is, moreover, an agenda which could - especially if taken as a 'package' - be justified in terms of the fundamental principles that have informed our policies in Northern Ireland throughout direct rule.

23. In short, I do not believe it to be true that there is no alternative to our present policy of putting all our hopes on a successful revival of Talks by means of present tactics, and in the

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foreseeable future. Indeed, as time goes by with no realistic prospect of a Talks revival, this kind of alternative agenda may become increasingly attractive. Some might also see it as reassuring Unionists that history (and, arguably, the British Government) was not in the long run against them; and that the governance of this part of the United Kingdom did not depend on the pleasure of Messrs Reynolds or Adams. And that this could be done in ways that were not inimical to legitimate Nationalist interests.

24. At all events, such an agenda certainly seems a better one than, by default, of accepting to Irish arguments that, in the absence of a Talks settlement and current overt Unionist attitudes, that we should evolve and try to implement a deal 'top down'. It is still more attractive than giving the Provisionals, for a second time, once again, the benefit of a hearing when they come knocking at our back door at midnight.

Next steps

25. What I think might now be useful, subject to your views and those of colleagues, might be to identify more systematically:

- the circumstances in which Ministers might see advantages in terms of publishing a White Paper;
- the objectives of a White Paper;
- review the drafting of our White Paper - including the possibility of pointing to an interim agenda of 'improving direct rule' (Action: Mr Daniell);
- reviewing, and where necessary taking forward contingency planning in respect of possible measures listed in paragraphs 16 to 18 above (Action: CPL, ESL and SIL);

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- consider these, and any other measures, in terms of a 'package' to advertise or introduce in advance of any comprehensive political settlement (Action: CPL).

26. As a first step, one might use this note as itself an annotated agenda for a meeting with a view to a more considered submission to Ministers, supplemented perhaps by a fuller summary of 'Options' taken from our 1989 'Lexicon'.

27. Perhaps we could discuss.

(Signed PNB)

Mr Williams
 Mr Wood (L48)
 Mr Brooker
 Mr Kyle
 Mr Macnab
 Mr Archer, RTD
 RMA, Dublin
 Mr Caise

P N BELL
 OAB 6469

PS. This was written before the IRA's 'formal response' not that it makes much difference.

common principles

North/South institutions

East/West structures

the Irish proposal for a covenant.