

E.R.

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43/6

PS/Secretary of State (L&B)

cc: PS/Mr Scott (L&B)  
PS/Mr Patten (L&B)  
PS/PUS (L&B)  
PS/Mr Bloomfield  
Mr Brennan  
Mr Merifield  
Mr Gilliland  
Mr Chesterton  
Mr Reeve  
Miss Elliott  
Mr Bickham  
Mr K Carlisle, MP

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HCS/13

NATIONAL DEMOCRATIC INSTITUTE FOR INTERNATIONAL AFFAIRS (NDIIA)

Your note of 23 May recorded the Secretary of State's discussion on 22 May with officials about NDIIA's proposal to grant financial aid to the SDLP.

2. The Secretary of State decided that, as a precautionary measure, our Embassy in Washington should make a low-key approach to the State Department and voice HMG's apprehension over the present NDIIA proposal. They have now done so.

3. The State Department said that the NDIIA had approached the Department informally some months ago. They were unofficially encouraging about the idea, which they believed fitted well with American aims to promote peace and reconciliation in Northern Ireland.

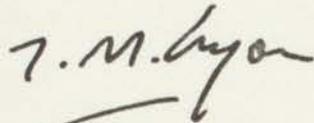
4. Our Embassy official said that we had not been consulted on this matter but were concerned that if overseas funding were to be made available to political parties in Northern Ireland, it was desirable that it should be shared between all the constitutional parties there. We recognised, however, that this was a matter for the Democratic Party.

5. The State Department gave no indication that this view would carry weight with the NDIIA: they seemed set to fund

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only the SDLP. The State Department said that if the NDIIA's funding intentions were to attract criticism and they were forced to comment, their official line would be that while they were aware of the NDIIA's decision, they were not consulted about it: the distribution of funds was a matter for the NDIIA to decide.

6. The State Department now therefore know our views. There seems a general consensus that both Governments should handle any criticism in a low-key and detached way. I expect it would be highly embarrassing to the Administration if we were to make our Embassy's low-key exchange public, but we can no doubt consider this further if the need arises.



J M LYON

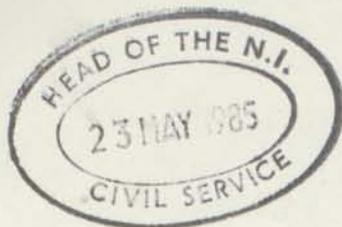
31 May 1985

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Mr Lyon



cc PS/S of S (L&B) - M  
 PS/Mr Scott (L&B) - M  
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~~PS/Mr Bloomfield - M~~  
 Mr Brennan  
 Mr Merifield - M  
 Mr Gilliland - M  
 Mr Chesterton  
 Mr Reeve - M  
 Miss Elliott  
 Mr Bickham  
 Mr K Carlisle MP

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## NATIONAL DEMOCRATIC INSTITUTE FOR INTERNATIONAL AFFAIRS

The Secretary of State and officials yesterday discussed what further action should be taken in relation to the Institute's proposal to grant financial aid to the SDLP. Mr Bickham had, at the Secretary of State's request, met Mr Attwood of NDIIA in order to establish what lay behind the proposal (Mr Bickham's note of 13 May).

2. It was agreed that, with the matter having come to Ministers' attention, they might be open for criticism if nothing was done to register concern about the proposal. On the other hand it would be a mistake to become embroiled in a public discussion about financial assistance being given to Northern Ireland parties from abroad. There was the possibility, for example, that the Institute might consider giving its funding activities balance by assisting the UUP but not the DUP; this would compound the embarrassment.

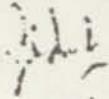
3. In the light of the discussion, the Secretary of State decided that our Washington Embassy should be asked to make a low key approach to the State Department in which IING's apprehension, at the NDIIA proposal in its present form, should be expressed. The fact that such an approach had been made could be made public if Ministers were subject to criticism at a future date. The Secretary of State said that Mr Bickham should not write to Mr Attwood.

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4. I should be grateful if you would arrange for the Washington Embassy to be asked to proceed along the lines of paragraph 3 above.

  
J A DANIELL  
Private Secretary

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