FROM: C G MACCABE

Political Affairs Division 6 October 1994

ENTERED 21 OCT 1994



cc PS/Sir John Wheeler (B&L) - B PS/Michael Ancram (DENI, B&L) - B PS/Mr Smith (DED, DOE&L) - B PS/Baroness Denton (DHSS, DANI&L) - B PS/Lady Mayhew - B PS/PUS (B&L) - B PS/Mr Fell - B Mr Thomas - B Mr Legge - B NI Perm Secs Mr Williams - B Mr Bell - B Mr Steele - B Mr Daniell - B Mr Brooke - B Mr Shannon - B Mr Blackwell - B Mr Watkins - B he hope (M) Mr Hamilton, DOE Mr Wood (B&L) - B Mr McCusker, DOE Mr Canavan - B . Mr Brooker - B Mrs Collins - B Mr Stephens - B Mr Dodds - B Mr Cornick Mr Marsh - B Mrs Brown - B · Mr Perry - B Mr Smyth, AIS - B Mr Caine - B Mr Alexander, NIB Mr Archer, RID - B HMA Dublin - B Mr Sibson, Cabinet Office CIVAD, HQNI

PS/SECRETARY OF STATE (B&L) - B

POLITICAL DEVELOPMENTS IN NORTHERN IRELAND: JULY TO SEPTEMBER 1994
Summary

Following the intense speculation since the signing of the Joint Declaration in December 1993, the Provisional IRA finally announced a complete end to violence on 31 August. They did not, and appear unlikely ever to, answer the question whether that was intended to

CONFIDENTIAL

be a permanent end. The past month has seen frantic propaganda work by Sinn Fein in particular, and more general efforts by all the political parties to gain credit and credibility abroad.

### A. Pre-ceasefire

- 2. The 25th anniversary of the Troubles was marked by a flurry of retrospection and media analysis, little of it hopeful. The period opened with considerable disquiet, not least in SDLP circles, that Sinn Fein were pretending to be interested in peace whilst having no intention of actually bringing it about. The Sinn Fein special delegate conference held in Letterkenny on the weekend of 23-24 July had been expected to produce a definitive response to the Joint Declaration, whereas the reality involved no change and much hard-line Republican language. The reaction right across the Nationalist spectrum from John Hume to those less well-disposed to 'the peace process' was one of serious disappointment, a response which appeared to surprise leading Sinn Fein figures.
- 3. The earlier murder of Ray Smallwoods on the night before the Twelfth, the attempted murder of the Reverend William McCrea, and the subsequent killing of two leading UDA men on the Ormeau Road appeared designed to produce a Loyalist backlash and therefore to get PIRA off the hook. Signs of a more positive strategy only came when Danny Morrison, on pre-release leave from prison, called for the "unarmed strategy" to replace his oft-quoted dictum of the ballot box and Armalite. By the time the US delegation led by ex-Congressman Bruce Morrison arrived in Belfast, speculation about a ceasefire was rife.
- 4. Unionists were upset by rumours of a deal between the British and Irish Governments whereby changes to Articles 2 and 3 would be made in return for cross-border institutions. Comments by the Chief Constable about possible reductions in troop levels in the event of a prolonged ceasefire were interpreted as being politically

CONFIDENTIAL

inspired, and preparing the way for concessions to the Republican ment. The sanctioning of a Republican march to the City Hall was taken as corroborative evidence.

B. Post-ceasefire: reactions

### Irish Government

5. Albert Reynolds gratefully and unquestioningly accepted the PIRA ceasefire as permanent. His subsequent meeting with Gerry Adams and John Hume was widely believed to reflect indecent haste, although clearly designed to tie Adams into a process from which he personally would not be able to escape no matter what the Republican Movement did. Progress towards the establishment of the "Forum for Peace and Reconciliation" remained slow, with no obvious sign that its purpose or modus operandi had been given more than cursory consideration. Irish irritation at HMG's refusal to acknowledge the permanence of the IRA's ceasefire also demonstrated itself by early calls for a relaxation of security policy in Northern Ireland, and hints that IRA prisoners in the Republic might be released early.

### Unionists

6. Relief mingled with scepticism characterised the initial response of the Unionist community. There was immediate concern that a secret deal had been struck by HMG to bring Sinn Fein to that position and ideas which had been dormant - particularly Robert McCartney's campaign for equal citizenship - received fresh impetus. The Prime Minister's statement, during his visit to Northern Ireland on 16 September, that any outcome to the three-stranded Talks process would be subject to a referendum among the people of Northern Ireland went some way to allaying such fears. Unease remained however, together with an unwillingness to see security measures removed too quickly, or for Sinn Fein to be treated as a normal democratic party before they have demonstrated

CONFIDENTIAL

their bona fides. Jim Molyneaux and David Trimble re-launched the of an Assembly as a first, limited, step in bringing all manuated parties (including Sinn Fein) into the same political arena.

- 7. But there were signs also that some in the UUP were beginning to readjust their sights. John Taylor made uncharacteristically positive statements in regard to the ceasefire, and Ken Maginnis agreed to take on Gerry Adams in a media encounter in the US. Moderates, although expressing personal reservations about sitting at the same table as Sinn Fein, began also to accept its inevitability. Jim Molyneaux's absence made it difficult to read the extent to which these moves have the wholehearted backing of the leadership. The UUP Annual Conference in mid-October will be an important indicator of opinion within the Party.
- 8. The DUP remained watchful, expecting evidence of a secret deal to emerge at any time, and made ritual noises about never sitting down with Sinn Fein. There were, however, signs that Peter Robinson and some other influential members of the Party were unhappy with their self-imposed isolation, and were looking for ways to end it.

## Nationalists

9. Encouraged by statements from both John Hume and the Taoiseach, most Nationalists have accepted, largely without question, that Republican violence has ended for good. As a result, there has been a greater level of expectation within that community that change - particularly in security-related fields - will follow quickly. Official announcements on 16 September that the broadcasting restrictions were being lifted and various border roads opened, partially defused complaints that HMG was dragging its feet. There are continuing signs that expectations remain higher than is realistic, and that only the continued threat from Loyalist paramilitaries has avoided further comment on the continued prominent security force presence in Nationalist areas.

CONFIDENTIAL

10. Within SDLP circles, concern was expressed that Sinn Fein were allowed to set the agenda. The relative silence of SDLP spokesmen in a period when every move by Sinn Fein was being deeply and closely analysed caused speculation about a change in the political balance of power within Nationalist circles. However, towards the end of the period, the Party appeared to be regaining the belief that they remain the strongest and most coherent force within Nationalism in Northern Ireland, and that John Hume's leadership, plus a concentration on economic issues, provide the way forward.

# Loyalist paramilitaries

11. Despite continuing their activity, Loyalist paramilitaries have been quieter militarily than in previous periods. By contrast, their political profile has never been higher. The Combined Loyalist Military Command issued a statement outlining six points about which they had concerns. The Prime Minister's announcement about a referendum did much to remove those concerns, but they continue to fear that the Joint Framework Document will contain the basis of a sell-out. Speculation of a Loyalist ceasefire remains in the background, and increasingly HMG has come under pressure to be seen to be paying closer attention to politicians close to Loyalist paramilitaries. David Ervine of the Progressive Unionist Party, largely unheard-of six months ago, has drawn considerable support for his moderate and constructive approach, although the electoral viability of the fledgling Loyalist parties remains questionable.

### C. Political development

12. In the course of July, the two Governments continued their efforts to agree the Joint Framework Document. Inspired leaks from Dublin highlighted the remaining difficult issues, and caused some alarm in Unionist circles. The Prime Minister and Taoiseach agreed to postpone their projected Summit until work had been taken as far as possible on the Document, and this work continues apace.

CONFIDENTIAL

13. Throughout the period, Michael Ancram's round of bilaterals tinued with meetings held with the UUP (twice), and the SDLP. The former discussions played an important role in soothing Unionist fears. The DUP launched a vitriolic policy paper in late August, entitled "What is the British Government up to?", but failed to obtain an answer to the question when their meeting with the Prime Minister in early September spectacularly imploded. The shock of this, and the danger of becoming marginalised at a time of potentially crucial political developments, led to a softening of attitudes, and indications of a wish to re-engage in discussion with NIO Ministers. By the end of the period, however, the signals were becoming confused once more, but a further meeting with the Prime Minister was being actively pursued.

### D. The USA

14. The American dimension has increasingly been recognised as significant in the short term, not least by the UUP, whose delegates had a most successful trip, including a meeting with the Vice President. John Hume's earlier triumphal progress was also designed to garner credit for peace before Gerry Adams' arrival. Adams' current progress around American cities appears to have involved preaching to the converted. There are signs that Sinn Fein's inexperience in handling confrontational media situations may prove a weakness, although Adams' shrewdness means that may not be a lasting problem. The American Administration have shown considerable interest, no doubt keen to cash in on any foreign policy successes that are around, and reflecting their generally positive approach to the situation here. Increased contributions from the US Government to the International Fund for Ireland are likely to be a tangible reward for a permanent ceasefire.

[Signed CGM]

C G MACCABE
SH Ext 27085

CONFIDENTIAL

# DIARY OF EVENTS

| 1 у         | John Hume's first official address to the Oireachtas   |
|-------------|--|
| 6-7 July    | Prince Charles' visit to NI  |
| 7 July      | Loyalist remand prisoners riot in Crumlin Road jail  |
| 10 July     | Shots fired at home of William McCrea MP   |
| ll July     | UDP Chairman, Ray Smallwoods, shot dead  |
| 15 July     | PM and Taoiseach meet in Brussels  |
| 19 July     | PM meets Jim Molyneaux at No 10  |
| 23-24 July  | SF Letterkenny Conference  |
| 26 July     | PM meets Dr Paisley at No 10   |
| 31 July     | Two leading UDA men - Bratty and Elder - murdered by PIRA  |
| 12 August   | Danny Morrison calls for 'unarmed strategy' to replace 'ballot box and armalite' policy  |
| 13 August   | 25th Anniversary of 'The Troubles'/Annual Apprentice Boys Parade in Derry  |
| 23 August   | DUP launch "What's the British Government up to?" document   |
| 26 August   | Sinn Fein/US delegation meet in Belfast  |
| 28 August   | Joint statement (confirming peace process on course) issued by John Hume and Gerry Adams                                       |
| 31 August   | PIRA announce ceasefire  |
| 6 September | PM's meeting with the DUP ends acrimoniously and abruptly. Taoiseach, John Hume and Gerry Adams in historic meeting in Dublin. |
| 7 September | Secretary of State addresses Orangemen in<br>Comber Orange Hall<br>US Vice-President and Taoiseach meet at<br>Shannon          |
| 8 September | Army's metal helmets replaced by berets  |
| 9 September | Attempted IRA armed break-out from Whitemoor Prison  |

CONFIDENTIAL

Cookstown Councillor Francis Rocks becomes 13 September an Independent following SDLP row over his PANI membership acceptance During visit to NI, PM promises referendum 16 September for any future Talks outcome as well as lifting of broadcasting restrictions and some opening of closed border roads 18 September Taoiseach considers Irish unity at least a generation away (Interview in 'Observer') UUP delegation visit to US 21-23 September 22 September PUP spokesman David Ervine calls for HMG to talk directly to Loyalists 24 September-5 October Gerry Adams' visit to US 28 September Gerry Adams and Michael Mates interviewed together on 'Newsnight' 29 September PM meets John Alderdice at No 10

CONFIDENTIAL