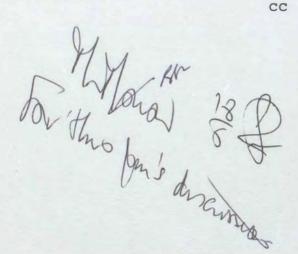
TROM:

M J WILLIAMS US(POL)

18 May 1993



PS/SofS (L&B) - B
PS/Mr Mates (L&B) - B
PS/Mr Hanley (L&B) - B
PS/PUS (L&B) - B
PS/Mr Fell - B
Mr Ledlie - B
Mr Steele - B
Mr Watkins - B
Mr Wood (L&B) - B
Mr Brooker - B
Mr Dodds - B
Mr Maccabe - B
Mr Cooke - B
Ms Lodge - B
Mr Caine - B
Mr Archer, RID - B
HMA, Dublin - b

<u>Mr Thomas</u> - B

MR FELL'S DINNER WITH MR O'DONOVAN: 17 MAY 1993

Mr Fell was Mr O'Donovan's guest at Maryfield yesterday evening. Also present were on the Irish side Mr Farrell and Mr Mellett, and on the British side Mr Dodds and I. Most of the discussion, which was prolonged and hard hitting, was about re-starting the Talks and the British "Scheme". Mr Fell argued strongly for an early resumption of Talks; but Mr O'Donovan felt that, in the absence of a text of the British Scheme, it might be more realistic to think of a start in the Autumn.

2. Discussion about Northern Ireland began on the subject of Protestant alienation. Mr O'Donovan thought the term inappropriate, given that all the real power in the Province remained in the hands of Protestants. Mr Fell admitted that the term might not be ideal, but pointed to the fact that the Government's serious efforts to tackle disadvantage, which inevitably meant concentrating on Catholic areas, had led to a real feeling of resentment amongst the poorer Protestant communities. He suggested that it might be useful for Mr O'Donovan to have a briefing from the Housing Executive, who

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Mould describe their work in this area. In addition, many Protestants quite rightly perceived that the Government's approach to political development was following very much lines set out by John Hume, but the Government made no apologies about this.

3. Discussion moved on to the subject of the Census. The Irish side mentioned they had been impressed by the briefing given on this subject a few weeks ago. They now clearly accepted that the common perception of a Catholic majority in favour of a united Ireland coming about in fifteen to twenty years, was wrong. They understood that a Catholic majority was likely to be many decades away; and that not all Catholics were in favour of a united Ireland.

4. Mr O'Donovan wondered how realistic it was to think of the DUP returning to take part in the Talks. He wondered how their attitude might be affected by extreme results in the local elections, ie either that they got around 8% (less than Sinn Fein) or around 20% (ie more than in the last local elections). Mr Fell noted that the strength of the DUP's opposition to returning to the Talks appeared to have hardened within the last week, but felt that our best tactic was to invite all the parties to return to talks. He did not think that the DUP could afford to stay away, especially if their vote fell in the local elections. If it increased, they might be more difficult to persuade; but our best tactic still remained to threaten to go ahead without the DUP. Mr O'Donovan pointed out that in that case we would have to make it explicit that their absence would not exercise a veto over the Talks process.

5. Mr O'Donovan asked whether the UUPs might abstain, and whether in that case perhaps the two Governments should go ahead to work out

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a solution with the SDLP and the Alliance? Mr Fell was sure that Mr Molyneaux would not stay away; if however both Unionist parties absented themselves, he was not in favour of the two Government trying to repeat the process of 1985 when the Anglo-Irish Agreement was entered into without their being consulted.

6. I asked about the significance of the Tanaiste's reported comment that perhaps talks should not restart until Autumn. Mr O'Donovan handed over the transcript of the Radio Ulster interview of 15 May in which this comment had been made. He said he had no briefing, but had doubts about the present timetable. It might be better not to restart talks towards the end of June, with the prospect of interruptions in mid-July and a break in August. If instead talks didn't start until Autumn, there could be full and proper consultation between the two governments about the text of our "Scheme", which they had not yet seen.

7. Mr Fell saw the logic of the Irish concern about the present timetable, which he shared. But he wondered how a start in the Autumn could be reconciled with both governments' commitment to urgent talks, with the prospect of there being further paramilitary murders if the Talks did not get started, and with the likelihood that the Unionists would only start to impose new pre-conditions. Instead, he thought the Talks should start as soon as possible, perhaps with a gap beginning after 25 May IGC. Mr O'Donovan asked how they could agree to that, when they had not yet seen our paper. I responded that we had set out its main features at the last Liaison Group meeting in London, hoped to have a thorough discussion in Dublin on 19 May, and had promised to let them have a paper if at all possible before 25 May. Mr O'Donovan thought that that was not soon enough to enable them to agree on 25 May to an immediate gap.

8. Mr Fell thought that if the Talks were not going to start until Autumn, it might be better if we did not hand the paper over to the

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Irish until we had worked on it further ourselves. He thought it might look significantly different if we were to hand it over in say August compared with May.

9. Discussion turned to the issue of security, which Mr Fell said had not really been addressed and did not feature in our "Scheme". Mr Mallon's ideas had never been formally put forward. When Mr Mellett asked if we could conceive of the Army not being under HMG's command, Mr Fell said we could not, except perhaps if it came under the command of a local devolved administration. As regards the Police (and Mr Fell envisaged the possibility of their being called "Northern Ireland Police Service"), Mr Fell wondered what the practical implications of Mr Mallon's proposals were. For instance what would happen to the existing members of the Force? And what exactly was meant by political control through the local administration? It was very difficult indeed to separate operational independence from policy independence. He asked what happened in the Republic. Mr Mellett said that political control did not extend to operational matters but covered questions of financing, force levels, deployment to some extent, and senior appointments. He denied that these amounted to political interference, or the emasculation of the Forces' effectiveness. Mr Fell said that what we really needed to know was what the Irish point of view was on security matters. Mr O'Donovan countered that the Irish did not know the British position on the subject. Mr Fell admitted this was so, and said that in some ways security was the crux of the issue.

10. Mr O'Donovan thought that there were still a lot of issues before the Talks which needed further work. For instance, the issue of financial autonomy for Northern Ireland had not been thought through. Would a devolved administration be able to halt the de-nationalisation programme? Mr Fell strongly responded

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/that we had thought these questions through. A devolved administration would indeed have freedom to make decisions of matters such as de-nationalisation. That was one of the attractions for the parties. Mr O'Donovan thought that the parties did not realise that HMG intended this.

11. Mr O'Donovan contended that the Talks were still in their infancy, although as an optimist he foresaw the possibility of agreement by mid-1994. Mr Farrell said that they still needed to see our "Scheme", which for all they knew might be confined to Strand I. Mr Fell described the main features of the Heads of Agreement document, describing first Strand III. He pointed out that we had put in a lot of work on Strands II and III, as evidenced by the appointment by Mr Stephen Quinn to concentrate on North/South matters. Mr O'Donovan responded that, as he had been saying for some time, the Irish needed to see a paper. Dinner table conversation was not enough. There was a political necessity for the Irish to show that they had been adequately consulted. Also the Irish Government would need to give it approval.

12. Mr Fell pointed out that a few weeks ago the Irish and British Governments had both been in favour of the early resumption of talks. Now, after the British Government announced the intention to produce a paper as a means of helping the process along, the Irish were using that as an argument for delay. He suggested that instead, the Irish should produce a paper which would be ready for Talks to start immediately, and the British would be content not to have been consulted in advance. Mr O'Donovan dismissed that, on the grounds that the Secretary of State's public announcement of his intention to produce a scheme had changed matters. Mr Fell asked when they would need the paper; and Mr O'Donovan said "tomorrow", ie 18 May. Mr Fell said he did not have political authority to hand over a paper by then, and suggested instead Friday 21 May. Mr O'Donovan thought that would not be soon enough for their purpose;

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but he did admit that Irish Ministers might make a political decision. He reiterated the merits of further consultation between the Governments, leading to Talks re-starting in the Autumn, but Mr Fell pointed out that the idea of a paper agreed between the two Governments would not appeal to the Unionists.

## <u>Conclusions</u>

13. Although Mr O'Donovan said that he personally saw the need for urgency, he gave little sign that the Irish had made any serious preparations for resuming Talks. The whole strategy appeared to be based on upon waiting to see our paper, and then re-acting to it, no doubt critically;

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[signed MJW]

M J WILLIAMS Ext 27083

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