

by fax

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*Dear Jonathan,*

#### CHICAGO INVESTMENT CONFERENCE

1. I enclose a note of a conversation I had on 14 December with Mary Ann Peters in the NSC about the Investment Conference in Chicago which Ron Brown announced while President Clinton was in Dublin. (The background is in Washington telno 2738)

2. I should be grateful if we could have a word about this early next week. Our preliminary view here is that we will not get anywhere if our response to the White House is entirely negative. We would like to be able to go back to them with some enthusiasm for the idea of a third Investment Conference (after Belfast and Washington) but on the same basis as the first two (ie Northern Ireland and the border counties). The Conference should be seen as practical follow-up to the President's successful visit.

3. If the White House decided that the Chicago should be organised on this basis, well and good. If, however, they felt that it was too late to unscramble the all-Ireland event envisaged by Jean Kennedy-Smith and Ron Brown, and preferred to work with us on two separate events, we should be ready to accept that. In practice, I doubt whether there will be the stomach here for more than one Investment Conference about Ireland in 1996; we shall probably, therefore, need to devote our energies to trying to ensure that the one that does happen is on the right lines.

4. We have telegraphed separately today about Ministerial visits from the NIO in the first half of next year, underlying the need for your Secretary of State to be present if the Americans go ahead with their plan to ask Mary Robinson to open the Chicago Conference during her State visit in June.

*Yours ever,*  
*Peter*

Peter Westmacott



cc: Mr Watkins, NIO(B) )  
Mr Gibson, NIO(B) )  
Mr Lamont, RID, FCO ) by fax  
Mr Oakden, No 10 )  
HMA, Dublin )  
PS  
Minister  
Mr McDonald  
HMCg Chicago  
HMCg New York  
HMCg Boston



FROM: P J Westmacott  
DATE: 14 December 1995

cc: Mr ~~Crisshaw~~ ✓  
Mr Alexander  
Mr McDonald

PS

#### CHICAGO INVESTMENT CONFERENCE

1. I asked Mary Ann Peters in the NSC this afternoon whether the thinking about the Investment Conference announced by Ron Brown in Dublin had yet moved on. Her reply was a little worrying: we need to decide how to go back to her.

2. Ms Peters says she has been pressing Meissner, Assistant Secretary at Commerce, for further details of the Brown initiative - so far to little effect. Her concern is that the proposed conference is already an all-Ireland affair. In other words, it is probably too late to get the parameters back to those which were so tortuously agreed for the Washington Conference in May: a conference designed to further investment in Northern Ireland and the border counties of the Republic, as a means of underpinning the peace process. The present plan, as cooked up by Jean Kennedy Smith and announced by Ron Brown, would include Northern Ireland (though no-one thought of consulting London or Belfast before going public) but also include the whole of the Republic.

3. Ms Peters' concern (protect) is that this different emphasis is a potentially damaging move away from the peace process. She fears that encouraging investment in the Republic as a whole, where there are handsome EU subsidies and lower rates of Corporation Tax, could make it more difficult to persuade potential investors to go to the North. No-one could complain that the Irish Government had sought to make the Republic investor-friendly; but there was no good reason for the US Administration to go out of its way to support that policy.

4. According to Ms Peters, the White House is peeved that the Commerce Department (and the Ambassador in Dublin) jumped the gun by announcing the Chicago Conference before all lines had been cleared (and before the White House had given its assent). It would matter less if the occasion was to be an entirely Commerce affair; but she agreed with me that a conference in Chicago with a strong Irish American flavour, during election year, and in a state which is critical for the President's re-election, was unlikely to be regarded with complete detachment by the domestic policy side of the White House.

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5. The US Ambassador in Dublin had now come up with the idea that President Robinson should be invited to open the conference during her State Visit to the US in June. Before reaching a decision on this, White House staff needed to be clear about the purposes and parameters of the Conference. What was the British view?

6. I told Ms Peters that I would consult and get back to her. My initial reaction was that, following the President's immensely successful visit, it would be unfortunate if the Administration - especially the White House - was to organise an investment conference which was not firmly linked to the need to underpin the peace process. It would be particularly damaging if the conference undermined a lot of the hard work which Senator Mitchell, Ron Brown, and other members of the Administration had put into encouraging US firms to go to the North and the Border Counties. There had been great sensitivity earlier this year at the attempts of the Irish Government to make the Washington Conference into an all-Ireland event; Unionists, in particular, would be dismayed if the policy agreed then was not also to apply to Chicago.

7. I should be grateful for the Ambassador's views on handling. My inclination is to put all this to London (including No.10) and get back to the NSC, perhaps at a more senior level, with a quick, but firm, response.

*Peter Westmacott*

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