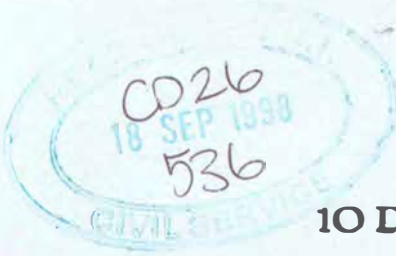


CONFIDENTIAL

Desk Immediate

- cc PS | S&S (L+B)
- PS | Mr Murphy / L+
- PS | Mr Ingram / L+
- PS | PUS / L+B
- PS | Mr Sample



10 DOWNING STREET
LONDON SW1A 2AA

From the Principal Private Secretary

- 18 September 1998
- Mr Watkins
- Mr Jeffrey
- Mr Stephens
- Mr. Leach
- Mr. Hadden
- Mr. McCusker
- Mr. Brooker
- Mr. Macca
- Mr. Hill

Dear Nick,

POLITICAL PROCESS: NEXT STEPS

Thank you for your letter of 16 September. The Prime Minister and Dr Mowlam discussed this on the telephone last night. Dr Mowlam explained her concern that positions were hardening on both sides over the impasse involving decommissioning and formation of a Shadow Executive. Neither Trimble nor Adams showed any signs of moving. Meanwhile the Irish and Seamus Mallon, although their views wavered from day to day, seemed to be hardening their own position on the possibility of doing some business e.g. over the North/South Council, before the Shadow Executive was formed. She was particularly concerned that flexibility might diminish further if the impasse dragged on, and that momentum would be lost in the Party Conference season, immediately before the eleven city tour of the US. There was a risk that this would be dominated by the decommissioning impasse, which would obviously devalue its effect.

to see
J
18/9

In her view, therefore, we had to pursue three lines. We had to keep up the pressure on Sinn Fein over decommissioning, although she had to say that there was no optimism around that they would comply in the short term. Second, we should continue to explore whether there was any room for manoeuvre for the parties to take forward work on Northern Ireland government issues and North/South issues, short of the actual formation of the Executive. Third, we should work on a fallback to resolve the impasse: this could consist of maximum engagement by Sinn Fein with the Decommissioning Commission, combined with progress on the disappeared and punishment beatings on one side, and continuing movement on demilitarisation on the other. The immediate key steps were to keep up the pressure on both Adams and Trimble, and to ensure that De Chastelain was engaged properly as well.

The Prime Minister said that he was willing to speak to Adams and Trimble. He thought it was just possible that a deal, along the lines of what he had discussed with Ahern, could be sold. Sinn Fein and the IRA would make clear that there would be actual decommissioning, even if nothing happened before the formation of the Shadow Executive. This would be accompanied by some kind of schedule or timetable which made clear that there would be actual decommissioning before the formation of the real Executive. If this could be achieved, he was prepared to work on Trimble to try to get him to regard this as sufficient to allow formation of the Shadow Executive, although he could not be sure he would succeed. What was

CONFIDENTIAL

CONFIDENTIAL

- 2 -

clear was that Trimble could not allow Sinn Fein into the Shadow Executive without genuine and serious movement on decommissioning. The current position, where the only credible public statement was that by the IRA saying they would not decommission, was impossible for him.

Dr Mowlam said that she had no reason to believe that Sinn Fein would be ready to agree to a firm commitment and timetable. But she was willing to try. We would have to keep working on the Irish and Seamus Mallon too, in order to keep them from moving off in the wrong direction. She would now work on Sinn Fein, and would ask the Prime Minister to work on Trimble, if she could get something convincing out of Sinn Fein. She would also work in parallel on De Chastelain.

Comment

I think this gives us a reasonably clear strategy for the next few days. It is also one which fits with the ideas floating around in Dublin and Washington. I discussed US efforts with Jim Steinberg last night. They have had what he described as middle level discussions with Sinn Fein so far, but will now step up their efforts, and push hard for Sinn Fein to come up with something specific like a timetable, if they cannot deliver actual decommissioning now.

One issue the Prime Minister and Dr Mowlam did not discuss is the proposed Assembly Standing Orders. It is clear from separate contacts with Trimble that this is a huge problem for him. If he thinks he is being bounced into a Shadow Executive without serious progress on decommissioning he may conclude he is being put in an impossible position. The Prime Minister therefore believes that we must take proper account of his concerns. He does not think that the concession suggested in your letter would do that.

I believe that Trimble and Adams were meeting privately yesterday. We will try to get a read-out of this.

I am copying this to John Grant (Foreign and Commonwealth Office), Sebastian Wood (Cabinet Office) and to Christopher Meyer (Washington) and Veronica Sutherland (Dublin) by fax.


JOHN HOLMES

Nick Perry Esq
Northern Ireland Office

CONFIDENTIAL