

C O N F I D E N T I A L

FROM: PS/SECRETARY OF STATE
14 MAY 1990



cc. PS/Secretary of State (B&L) - B
PS/Minister of State (B&L) - B
PS/Dr Mawhinney (B&L) - B
PS/PUS (B&L) - B
PS/Sir K Bloomfield - B
Mr Burns - B
Mr Ledlie - B
Mr Alston - B
Mr Thomas - B
Mr Wood (B&L) - B
Mr Blackwell - B
Mr Hill - B
Mr J McConnell - B
Mr Daniell - B
Dr Donnelly - B

2. P&P 2
cc. of space
16/5

NOTE FOR THE RECORD

MEETING WITH UNIONIST LEADERS: 11 MAY 1990

The Secretary of State met Mr Molyneaux and Dr Paisley in the Large Ministerial Conference Room in the House of Commons at 11.00am on 11 May. PUS, Sir K Bloomfield, Mr Burns and I were also present.

2. After initial courtesies, the Secretary of State said that he had noted the terms of the Unionists leaders' statement of 4 May (which followed an exchange of correspondence about the current meeting). He shared the commitment expressed there to making political progress, and believed that we were now in a position to clear the way for inter-party talks aimed at achieving devolution on a widely acceptable basis, in the context of a new approach to relationships within the British Isles. He could now give a definitive response on the conditions which the Unionists believed had to be met before talks could take place. (For its part the Government would be happy to have talks without any preconditions, but as a fellow politician he recognised the constraints on the two Unionist leaders.)

3. Continuing, the Secretary of State noted that the first

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one precondition, which the two leaders had stressed was the most important, was that the Government should agree to consider an alternative to the Anglo-Irish Agreement. He was glad that the Unionist statement on 4 May had acknowledged that the assurances in his letter of the same date had met that condition. For the avoidance of doubt, he would repeat the assurance that in the context of discussions about possible future arrangements for Northern Ireland " ... we would consider any proposal (including any proposal for an alternative to the Agreement) you or other parties might put forward which would advance the underlying objectives I believe we all share".

4. The Secretary of State noted that the Unionists had also asked for a period of non-implementation of Conference meetings and of the working of the Secretariat. He could help on both these points. He proposed that at an appropriate moment it should be announced that the Conference would not meet until a particular date some considerable time ahead. The announcement would associate this gap between meetings with the prospects for political dialogue in Northern Ireland. The precise wording of the announcement would need to be discussed with the two Unionist leaders and with the Irish Government. It would be essential for the Conference to meet again on the specified date. If any meetings with Irish Ministers were necessary before the date fixed for the end of the gap, these would be informal and would not be meetings of the Conference.

5. Dr Paisley (who, like his UUP colleague, took notes during the Secretary of State's explanation of how the second and third preconditions would be handled) said that it was essential that the announcement, as well as specifying the period during which no Conference meetings would take place, should spell out that the gap had been arranged to facilitate political talks. Any suggestion, for example, that the gap was a predictable feature of the holiday season, while under the counter messages were

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... to the Unionists to get on with political negotiations, would not be acceptable. The Secretary of State acknowledged this point. It was certainly the intention that the announcement should make some linkage between the gap and the prospects for political progress in Northern Ireland. The precise wording would need to be checked with Dublin but he thought that the Unionist point could be accommodated. Mr Molyneaux seconded Dr Paisley's concern on this point, and also asked for confirmation that the informal meetings with Irish Ministers which the Secretary of State had mentioned as a possibility would only take place in an emergency. The Secretary of State said that there would certainly need to be urgent business to justify such meetings, and it was possible that none would need to be held. But if they were held, he was fully seized of the point that they could not be Conference meetings.

6. Continuing, the Secretary of State said that the Unionist precondition concerning the non-implementation of the working of the Secretariat had caused the Government much difficulty, precisely because the Secretariat was not a political toy. It was a valuable channel of communication which was used to good effect in promoting security cooperation and handling other urgent business effectively and discreetly. He did not believe that its services could be dispensed with, although its workload and pattern of activity would obviously be affected by a long gap between Conference meetings. He had additionally agreed with Mr Collins that, during any political talks, the two Joint Heads of the Secretariat would take on other duties, associated with the talks process, and would therefore have less time to devote to Secretariat business - in other words there would be an element of redeployment. (Dr Paisley asked for this sentence to be repeated.)

7. Continuing, the Secretary of State said that it was common ground that any comprehensive political settlement for Northern Ireland would need to address internal political arrangements for the North within the UK, the future relationships between any new

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the Ireland administration and the Irish Government, and relations between the UK and the Republic. The Secretary of State regarded Northern Ireland's future government - and specifically the modalities of restoring power and responsibility to the elected representatives of the people of Northern Ireland - as the most important element in the talks. But he was aware that the Unionists would also wish to look (as they had said in their January 1988 document) at relationships with the Republic. It was clear that the process of talks would need to allow the Unionists a full opportunity to put forward their views on an alternative to and replacement of the Anglo-Irish Agreement. They would therefore doubtless expect to see that discussed at an early stage, alongside the discussion on devolution - indeed they had told Mr King that they would not expect discussions about the relationship with the Republic to be postponed until the talks on internal government had ended.

8. Dr Paisley said that he could not accept that account of the Unionist position. On the contrary, the two leaders had told Mr King that they would prefer to reach an internal settlement first and then talk about the relationship with the Republic. However, they had also said that they would not object if the Secretary of State wished to tell Dublin about the implications for the Agreement once he had sounded out the parties. Mr Burns noted that in an exchange with Mr King in 1988 Dr Paisley had said that he believed the North/South framework should be addressed first. Dr Paisley said that he did not accept that: he had no faith in minutes of meetings produced by the NIO. The Unionist position on this point was manifest in the document transmitted in January 1988: they wanted agreement on the type of government which would assume power within Northern Ireland before deciding on the relations which that body would have with the Irish Government. That was the logical order in which to proceed. The Secretary of State said that he would need to reflect on what the DUP leader had said. He recognised that it would be hard finally to determine the shape of North/South relationships before significant progress had been made on the internal arrangements.

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Continuing, the Secretary of State said that the talks would in large part be a matter for the Unionists and the other Northern Ireland parties, whose views on the Agreement and proposals for the future needed to be heard. In time, if agreement on internal structures were being reached, there would need to be discussions of what arrangements should be made between the devolved administration and the Republic, and relations with the Republic would also of course be a matter for the two Governments to deal with bilaterally. He would much appreciate hearing from the Unionist leaders how they saw these talks being managed. As he had said, he thought that the inter-party talks on internal arrangements would be the most important part of the process and that progress in other matters would depend on progress first having been made in this area. He therefore doubted whether it would be possible to do more than acknowledge that at a later stage there would need to be talks between the two Governments, and some discussion involving the Northern Ireland parties and the Republic. He would offer to support the inter-party talks on the internal government of Northern Ireland with whatever official resources were needed. He envisaged the other two sets of talks, which would both involve the two Governments, being serviced by the joint Heads of the Secretariat. And he had secured Mr Collins' agreement that his senior official in the Secretariat should join his UK counterpart in a "liaison group". (He should however reiterate that the Secretariat officials would not be involved in the talks on internal arrangements.)

10. Dr Paisley, supported by Mr Molyneaux, said that the Unionist position as explained at the meetings with the Secretary of State of 14 August 1989 and 19 February 1990 had envisaged four distinct steps:

- (i) the two Governments indicate their willingness to consider a new Agreement to replace the present Anglo-Irish Agreement;
- (ii) the two Governments announce the suspension of the Conference and the mechanism of the Secretariat;

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(i) the Secretary of State commences discussions with the constitutional parties on a bilateral basis;

(iv) if after a reasonable time he is able to report his conclusion that significant common ground exists, he will then propose a round table meeting of the constitutional parties.

The two leaders were prepared to accept that the first step had now been met (although as far as he was aware only HMG had in fact indicated on the record its willingness to consider a new Agreement. However the position of the Dublin Government was of less concern to him). He would return to stage 2 later (although again noting in passing that the announcement should come from both Governments). He regarded it as rather premature to discuss the format of talks before the pre-conditions had been clearly met, but he would say that the Secretary of State seemed to be overlooking the need for the third plank in the Unionist position, that is the bilateral discussions. It was not automatic that the process would move from the resolution of the pre-conditions to round-table inter-party talks: it would first be incumbent on the Secretary of State to have bilaterals with the parties to see whether sufficient common ground existed which would make a round-table meeting worthwhile.

11. Mr Molyneux said that he was disturbed by the suggestion that the joint Heads of the Secretariat should be involved in servicing the talks aimed at bringing about political development in Northern Ireland. He assumed that they would at least be physically re-deployed from Maryfield. The Secretary of State stressed that the joint Heads would not be involved in the talks on internal arrangements - neither the bilaterals nor any round-table conference. He doubted that they would in fact physically move from Maryfield. It was of course necessary to allow in the format of talks for an Irish dimension, so that the future of the Agreement could be covered in the process as required in the first pre-condition.

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Dr Paisley reiterated that the Unionists believed that the talks on an internal settlement should come first. Given that the joint Heads would not be participating in those talks, and that they would not be physically moved from Maryfield, how could the third pre-condition be met? Mr Molyneaux said that the Unionist community would not understand the distinction between the different sets of talks. If Secretariat officials were involved in any of them, the perception would be that everything the parties were saying in secret negotiations about the future internal government of Northern Ireland was being reported straight back to Dublin. Dr Paisley saw a further difficulty. From the Unionist view point the North/South talks would be designed to get rid of the existing Agreement and replace it with a more acceptable alternative. It would be wrong for the officials who were working the present Agreement, and were presumably therefore personally committed to it, to be involved in talks on finding a replacement. To the Unionists that would call into question the good faith of the two Governments right from the start. The Secretary of State said that these issues were some way down the road, although he had entire confidence that officials would follow Ministerial instructions, whatever their previous employment.

13. Dr Paisley said that the Unionists were content with the response to their first pre-condition. It sounded as if the second pre-condition was also manageable, subject to the announcement making a sufficiently strong linkage between the gap and the intention of facilitating inter-party discussions. There seemed however to be real difficulties in respect of the Secretariat. Under Article 3 of the Agreement the Secretariat had been established to service the Conference. If the Conference was not meeting, then he could not see why the Secretariat could not cease its operations, since by definition it would have nothing to do. Without this temporary suspension of operations, no deal could be sold to the Unionist people. Mr Molyneaux said that what was really needed was a physical movement of the Secretariat out of Maryfield for the period of the gap. Dr Paisley said that the Unionists would not be

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reasonable: they would not object if a caretaker was left in the building, and perhaps even someone to answer the phone. But more than that was not on: there had to be the perception of a real suspension.

14. The Secretary of State said that the Secretariat existed to provide a regular and efficient conduit of communication between the two Governments, as well as to service the Conference. Even in this latter work, it was unrealistic to assume that it would have no work to do during the gap. Much preparatory work had to be done before Conference meetings: for example, papers would need to be prepared for the Conference meeting which would mark the end of the gap. Dr Paisley said that that could be accommodated: the announcement of the gap would specify that the Secretariat would resume work, say, two weeks before the date of the next Conference, so that the political discussions could take place in the gap between the first conference and a date two weeks before the next one. That might indeed be helpful in selling the arrangement to his followers: it would show good faith and honesty on both sides.

15. Mr Burns said that the Secretariat provided a very important channel of communication for the Government, and the Secretary of State had indicated that he did not believe that its services could be dispensed with, even temporarily. But it was recognised that the Unionists had a genuine worry about the Secretariat. That was why it had been proposed to say that the joint Heads - who were, after all, thirty per cent of the senior staff of the Secretariat - would be doing something else during the period of the gap. But for that to carry credibility it was necessary to specify what they would be doing. Announcing that they would be servicing those talks in which the Republic was involved - but not the inter-party talks on internal Government - met this requirement. Dr Paisley said that there were two serious flaws in this argument. First, the talks involving the Republic would take place after the internal talks; it would be impossible to say during the internal talks that the joint Heads had been re-deployed to service another set of talks which had not

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1. started. Second, it would be slanting the pitch to have the Joint Heads servicing the talks involving the Republic. These would be the most difficult part of the process, since Unionist and SDLP views on relations between the North and Dublin were diametrically opposed. To have officials servicing these talks who were committed to the present arrangements was unacceptable. As for the Secretariat's function as a conduit of communication, he accepted that such communication would have to take place, but he saw no reason at all why those conducting it had to be located at Maryfield. The Unionists had always said that they would be happy for the mechanism of the Anglo-Irish Inter-Governmental Council to be used for communication between the two Governments. Mr Molyneaux agreed: the Secretary of State was underestimating the impact on the Unionist community of re-deploying the two "chief villains" in the Secretariat into the most sensitive area of the political discussions. It was essential that during the gap the Secretariat must be seen not to be implementing the business of the Conference and the Agreement at Maryfield. What went on outside Maryfield between the two Governments was entirely a matter for them. Dr Paisley added that the more he thought about it, the less acceptable he found the proposition that the joint Heads should service the talks involving the Irish Republic. He commented rather cryptically that there might be a "better way" for the Unionists to deal with Dublin, although he did not propose to go into that now.

16. The Secretary of State said that the fact was that the Secretariat would not be servicing Conference meetings during the gap. He took note of what the Unionist leaders had said about the proposed involvement of the joint Heads in the non-internal talks, and their antagonism to the Secretariat continuing to function as a conduit of communication between the two Governments. He believed that he would be failing in his duty to deny Northern Ireland that facility for rapid communication. But it might be possible to find a formula which would satisfy both the Government's need and the Unionists' anxiety. PUS said that the Government believed that the need for rapid and effective

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Communication with Dublin was best conducted by the skilled presence which existed at Maryfield. Dr Paisley said that he would not object if the officials currently in the Secretariat continued to function during the gap as a conduit of communication between the two Governments. But the essence of the Unionist position was that they must not do so at Maryfield. Mr Molyneux said that the two leaders had already said that they would accept the Anglo-Irish Inter-Governmental Council as an alternative umbrella for Ministerial meetings. Why could not the Maryfield Secretariat be re-deployed to London to function as the AIIC Secretariat? It was the perception that officials were still "beavering away" in Maryfield during the gap that had to be eradicated. Dr Paisley said that the Unionists were not asking this out of wilful obstinacy, but because it was a minimum pre-requisite for getting their people to support the move toward inter-party talks. Mr Molyneux said that there had been a significant change in opinion in Northern Ireland following the McGimpsey and extradition rulings by the Dublin Supreme Court. There was now much harder line opposition to the Agreement and the Republic, and there was no point in the Unionist leaders agreeing to arrangements with the Secretary of State which they knew they had no hope of persuading their constituents to accept.

17. At this point the Secretary of State suggested a short break to allow both sides to review the position which had been reached. In discussion after the two leaders withdrew, the Secretary of State and officials agreed that the meeting had had some encouraging features. The first two pre-conditions had now been largely met, and while the third remained extremely difficult the Unionist leaders seemed at least to wish to keep talking about the problem rather than to use it as the pretext for a breakdown. Sir K Bloomfield said that there seemed to be three main areas of difficulty. First, the Unionists wanted the internal talks to be taken first and had been resistant to the suggestion that the talks on relations with the Republic might run in parallel (they could be expected to be even more resistant to any suggestion that they themselves should visit Dublin for talks very early on in the process). Second, the issue of the

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Secretariat's operations at Maryfield during the gap had been predictably difficult. However the two leaders had not been totally inflexible: they had accepted the need for a skeleton staff to remain at Maryfield (to answer the telephone, in Dr Paisley's words), and had stressed that it was the location of the Secretariat's communication activity in Maryfield, rather than that activity per se, which they could not swallow. He wondered whether it might be possible to evolve a compromise in which the Irish officials continued to live at Maryfield but actually conducted their business elsewhere. Third, the Unionist leaders were deeply suspicious of the involvement of the joint Heads in the talks which concerned Dublin (and he could see that presentationally this might indeed be difficult for them to sell). Mr Burns said that given the point which the meeting had reached, it would be important to test whether further progress was possible. The Secretary of State commented that it was a delicate task to make further progress at this stage without giving commitments to the Unionists which went outside the terms of the agreement reached with the Irish.

18. The meeting resumed at 12.20 pm. The Secretary of State said that there were evident differences between the two sides about the role of the Secretariat during the gap. He would like to ask Sir K Bloomfield to explain why the Secretariat was indeed a necessary channel of communication. Sir Kenneth said that since the signing of the Agreement, the heavy volume of business which the two Governments had to transact, particularly in security co-operation, had moved from the Dublin Embassy/DFA axis to the Secretariat axis in Belfast. There was very great practical utility in having on the spot Irish officials who had gained experience of the issues and established good working relations. Maryfield provided secure residential accommodation for these people as well as the necessary communication facilities. But while the Secretariat would have to continue to live in Maryfield, it was perhaps not so essential that all their business should be conducted there - it might well be possible for some meetings to be held in another location. Dr Paisley said that the Unionist position was simple. The Secretariat

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to service the Conference (the UUP's lawyers had confirmed that this was the only function given to it by the Agreement). If there were no meetings at the Conference then it followed that the servicing of the Conference by the Secretariat had to come to a stop. If the Secretariat had acquired other functions, it was up to HMG to decide how to handle those, so long as they did not take place at Maryfield. He would see no difficulty if the Secretariat were moved en bloc to fulfill their communication role elsewhere, possibly as the Secretariat of the AIIC. Sir K Bloomfield said that the reality was that the Conference was a continuous piece of machinery, not a series of individual meetings taking place in a vacuum. Dr Paisley said that he understood this, but the Government must understand that the cessation of activity at Maryfield was the tangible sign that the Unionist population needed if any progress was to be made. The Secretary of State said that he hoped it would be possible to find a form of words to get over this difficulty. Mr Burns suggested a formula on the lines of -

"Since the Conference is not meeting, the Secretariat is not servicing the Conference. Any activity in Maryfield does not therefore involve the servicing of the Conference."

Dr Paisley said that this would not do: the point was that there must be no activity in Maryfield. Let the Secretariat be re-deployed to continue elsewhere the activities on which the Secretary of State placed so much store. Sir Kenneth had suggested that the Secretariat could carry out their functions elsewhere: he and Mr Molyneaux could accept that. The Secretary of State commented that he did not see that it would be sensible to move the Secretariat physically out of Maryfield.

19. The Secretary of State said that he would like to put this issue to one side for the moment and discuss the sequence of talks. The Unionists said that it would be impossible to have substantive talks on relations between any new NI administration and the Irish authorities before the internal political arrangements in the North had been settled. Mr Hume would

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They argue that the reverse was the case. To meet this difference of view, he believed that it was common ground that the talks should have three strands. He envisaged that at the start of the process there would be a "first reading" of all the strands - that is, there would be an early meeting between the UK and the Irish Governments to discuss relations between the two countries, and the opening step would be taken in the North/South dialogue. But there would then be a pause in the East/West and the North/South dialogues until substantive progress had been made in the talks on internal political arrangements. Dr Paisley said that an early meeting between the British and Irish Governments on the lines suggested would be very difficult presentationally and might torpedo the whole process. It would highlight the Irish dimension in a way which Unionists would find very hard to swallow. [NOTE: It was my impression that the Unionist leaders did not take on board that the Secretary of State had suggested that they, as well as HMG, should have early talks with Dublin.]

20. Sir K Bloomfield said that it might be worth clarifying that the talks on internal political arrangements which the Secretary of State had mentioned would be the round-table inter-party talks which would take place during the gap. It was to be hoped that a successful conclusion of the bilateral stage would by that time have given the whole process a certain momentum and instilled enough confidence in all the parties to enable them to weather any presentational difficulties which might arise during the three strands of talks. Dr Paisley said that there was a misapprehension here. The bilaterals could only start after the pre-conditions had been met - ie, during the gap. Sir K Bloomfield said that the Unionists would not of course wish to move forward until they were satisfied that they had secured an acceptable position on their pre-conditions. But when that position had been reached, further bilateral dialogue could surely take place before the gap started so that none of the necessarily limited time during the gap would be expended on preparatory work which could as easily be accomplished beforehand. The Secretary of State said that he appreciated the

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ts' view that substantive inter-party negotiations could not take place before the pre-conditions were met, but he had not appreciated that the Unionists regarded that as ruling out some bilateral discussion. Dr Paisley said that the bilateral talks would be substantive negotiations with the Secretary of State as the pivotal intermediary. The Secretary of State said that some of the parties might be reluctant to disclose their real negotiating hand to him in preliminary bilateral discussions. Dr Paisley said that it was nonetheless necessary to go through this stage so that the Secretary of State could make an informed judgement of whether there was a basis for round-table talks. It would have a terrible effect if the first meeting of such talks broke up in acrimony because the positions of the parties were poles apart.

21. The Secretary of State said that he therefore assumed that, if he issued an invitation to the Unionist parties to participate in round-table talks, they would accept. Mr Molyneaux said that this was the case. However he and Dr Paisley could not countenance the holding of parallel talks with Dublin to coincide with the round-table talks. The Secretary of State asked how, in that case, the Unionists expected to make their case for a new Agreement to Dublin. Dr Paisley said that it would be necessary to have an internal settlement in the North before the detail of the relationship with the Republic could be worked out. The Secretary of State said that the Unionists would surely accept that the SDLP would not be able to agree to internal arrangements without knowing what was proposed on the North/South axis. Dr Paisley said that the Unionists also would need to know what was proposed here before signing up to a deal (and all the arrangements would anyway need to be ratified by a referendum in the North). He would urge the Secretary of State to take a flexible and statesmanlike attitude on the questions which were at issue between them: he and his UUP colleague were moderates compared with the hard-liners who were coming to prominence following the McGimpsey judgement.

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Secretary of State said that they had perhaps gone as far as they could in this meeting. He believed that it would be valuable to have a pause for reflection on both sides, followed by a resumption of the meeting. Dr Paisley and Mr Molyneux agreed to this. After some discussion, it was agreed that both sides should pencil in a meeting in the late afternoon/evening of 22 May in London (probably in OAB). (Diary problems, principally Dr Paisley's absence at the European Parliament and as an observer at the Romanian Elections, precluded an earlier meeting). Both sides agreed that the following press line would be deployed after the meeting (although the two Unionist leaders predicted - correctly - that they might have to expand on this somewhat in reply to direct questions):

"We had a helpful and substantial meeting today, at which a number of major issues were explored. Some outstanding matters remain to be resolved, however, and we have agreed to meet again shortly to take these forward."

23. The meeting lasted for some 2½ hours.

Signed

S J LEACH
Private Secretary

DR INFO FOR MR PETER BROOKE - NI Sec of State

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JOINT STATEMENT FROM DR JAN PAISLEY - DUP LEADER
+ MR JIM MOLYNEUX - DUP LEADER

Jim Molyneux + Ian Paisley have now RECEIVED the assurance they were seeking for 3 long years, that H.M. Government would consider an alternative to and a replacement of the AIA.

They welcome this assurance from the Sec of State. They will now meet with the Sec of State to hear his definitive response to the other conditions, of the non-implementation of the Agreement by the suspension of both the conference meetings and the working of the Manfield Secretariat, so that proper negotiations can commence.

As in the past they both have dedicated themselves to achieve a constitutional settlement firmly within the U.K., in keeping with the wishes of the vast majority of the people of N.I.

The road ahead will not be easy but with the help of Almighty God they are confident that a prosperous and peaceful future can be achieved