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From Q J Thomas
AUS(L)
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cc Mr Burns - B
Mr Blackwell

Dr Donnelly - B

NORTHERN IRELAND UNIT

1. I was present when Sir Antony Acland, HMA Washington called, accompanied by Mr George on Mr Burns this morning. The main matter under discussion was the proposed Northern Ireland Unit to be established in the United States.

2. Mr Burns argued that while the IDB had a role in promoting inward investment in Northern Ireland, and the Embassy was and must remain in charge of political matters, there was a possible gap between the two. It was this potential gap which the Northern Ireland Unit might explore: namely the extent to which political contacts might be used to generate economic advantage, with a spin off for generating political good will both in Northern Ireland and in North America. The NIO would lean heavily on Embassy advice as to whether such a Unit might best be accommodated within the Embassy in Washington, as Mr Fall's most recent letter suggested, or, as originally proposed separately in a different part of the United States. While IDB tended, properly, to approach contacts on a business man to business man basis, concentrating initially on middle management the Unit would attempt to explore its contacts at a senior or political level. Nonetheless, IDB might have an important part to play in carrying forward any contacts which looked hopeful.

3. Even on the basis that the Unit were to be accommodated within the Embassy the NIO would see advantage in it having something of a separate identity: perhaps separate phone numbers, calling cards and postal identification. The NIO saw advantage in building on the goodwill associated with Northern Ireland's Irish character, which was not of course incompatible with its remaining constitutionally part of the United Kingdom.

4. In responding the Ambassador expressed his scepticism about the idea. He saw considerable risk in confusion if the Unit were to constitute a separate source of political involvement in North America, or of advice to the UK Government on such matters. He saw also a risk that a separate Northern Ireland Unit, perhaps especially one emphasising the Irish character of Northern Ireland, could send the wrong signals. It might be thought to indicate that the British were starting to disengage from Northern Ireland and it would conflict with the Embassy's general message that Northern Ireland was, and was likely to remain, an integral part of the United Kingdom.

5. After further discussion, in which both sides indicated that they were not in a position to be dogmatic about their respective positions, it was agreed that the best way forward was for an experiment to be conducted to test the benefits which might flow from such a Unit. While there are some points of detail outstanding, there was broad agreement that such an experiment might proceed on this basis:

(i) A Northern Ireland Unit (this might not be its final title) would be established within the Embassy in Washington. It should comprise two desk officers though the Embassy would advise further whether it would in addition need its own support staff or whether these could be found in the existing Embassy infrastructure; the experiment should last some 12-15 months, it being important to establish at the outset clear objectives for the Unit and clear measures to assess its success.

(ii) The Unit would be subject to the Ambassador's clear supervision and control, though the NIO would retain a close interest in its operation and in the event of major disagreement would expect to be consulted. X

(iii) This structure probably implied that the officers would be seconded to the Diplomatic Service and would accordingly be accommodated in the Embassy support system in respect of pay, accommodation and other such matters. (The cost would however be borne by the NIO.) The Embassy would advise further on this and on the kind of travel budget which would be required. *as rather "the Sifs NI"*

(iv) It would be essential for the Unit to keep in close touch with those in the Embassy dealing with political and other Northern Ireland matters and with the Consulates in the relevant parts of the United States. There must be no development of a separate and exclusive network of contacts, particularly in the political sphere, of which the mainstream Embassy were ignorant.

(v) While the Ambassador acknowledged the argument for giving the Northern Ireland Unit a separate identity he would reflect further on how this might be done without creating the dangers he feared in stressing too much the distinctiveness of Northern Ireland.

6. It was agreed that Mr Burns would write with a set of clear proposals for an experimental approach of this kind to which the Ambassador would reply swiftly. It was envisaged that the

