



An Chartlann Náisiúnta National Archives

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General

The main emphasis of Government policy on Northern Ireland in the aftermath of the Anglo-Irish Agreement can be summarised as follows:-

- (1) both the Irish and British Governments are firmly committed to implementing the Agreement;
- (2) the Government acknowledge that the unionist community have reacted very negatively to the terms of the Agreement. The problem of this reaction will be handled sensitively by both Governments;
- (3) the unionist reaction has been fuelled by serious misrepresentation of the contents of the Agreement. It is not designed to give nationalists in Northern Ireland any advantage over them. Indeed, on the fundamental issue of sovereignty, the Agreement provides that as long as a majority of the people of Northern Ireland so desire, it will remain under British sovereignty. Within the Intergovernmental Conference set up under the Agreement, the Irish Government puts forward views and proposals on a wide range of issues in Northern Ireland and, as the Agreement requires, both Governments make determined efforts to resolve differences, in the interests of peace and stability. At the same time, there is no change in the sovereignty or responsibility of either Government and the Agreement states this;
- (4) for nationalists, the Agreement aims to bring about a situation where their rights and identity will be fully accommodated. For the first time, and in an international agreement, the British Government have declared that they will introduce and support measures to implement Irish unity, in the event that, in the future, a majority in Northern Ireland should so desire;
- (5) the Government have been pleased by the reaction of nationalists in Northern Ireland to the Agreement. The Westminster elections in January showed that support for the S.D.L.P. in the nationalist community had increased. There was a 6% swing to the Party from Sinn Fein and of course they won a seat in Newry/Armagh;

- (6) the Intergovernmental Conference set up under the Agreement is working well. It has met on four occasions and has discussed a range of issues including security co-operation, the administration of justice in Northern Ireland and relations between the security forces and the minority community;
- (7) the Irish Government supports devolution in Northern Ireland on a basis which will secure widespread acceptance throughout the community. The Agreement states this quite clearly and Ministers have emphasised that if devolution were to come about, the Intergovernmental Conference would no longer have responsibility in the areas devolved, although it would continue to operate in areas such as security and human rights;
- (8) the Government see devolution as an essential element in the situation and have been pleased to note that the S.D.L.P. are willing to enter talks without preconditions.

U.S. Assistance and the International Fund

The Administration proposed to Congress on 4 March an aid package of \$250 million over five years which involved a cash contribution of \$20 million a year plus \$30 million in housing loan guarantees and investment incentives. It was pointed out to the State Department at official level by the Irish and British Governments that the balance in the package was unsuited to our needs and indeed the loan guarantee element was unusable in Irish terms (we have no difficulty in borrowing money).

Speaker O'Neill was disappointed at the low cash element and as a result a new bill was drafted by the House Foreign Affairs Committee which provided for \$250 million cash over five years plus possible incentives. This bill was passed by the House Foreign Affairs Committee on 4 March and the full House on 11 March. It has now been referred to the Senate (controlled by the Republicans).

The Speaker's bill contains references to equality of opportunity, non-discrimination in employment and respect for human rights and fundamental freedoms. These were inserted in consultation with the Embassy in order to head off strenuous efforts by the Caucus, Congressmen Gilman and Biaggi, etc. to insert the MacBride Principles and other unhelpful conditions. The Speaker's bill is acceptable to us and people such as Gilman have now dropped their campaign to have the MacBride Principles inserted.

On the Senate side, efforts have been made by those close to Senator Lugar (Chairman, Senate Foreign Relations Committee) to link the passage of the aid bill to passage of the stalled U.S./U.K. Extradition Treaty. Senator Lugar's staff have been pushing the idea of linkage because they feel responsible for the debacle that has taken place over the treaty. The Irish Government have stated that there is no linkage between the two issues and it is hoped that when the aid package comes up for consideration in the Senate on 10 April, it will be considered on its merits. The Senate will have before it the Bill passed by Congress and the Administration Bill.

It is obvious that the Administration has greater influence in the Senate and the final outcome of the aid package may well be a compromise in a House/Senate conference between the \$20 million cash element in the package per annum proposed by the President and the \$50 million cash package per annum proposed by the Speaker.

It is important to express our gratitude for the Administration proposal but to point out that the 30 million dollar-a-year loan guarantees and incentives elements in the Administration programme does not relate to our needs and is effectively unusable. We hope that the President and the Administration can agree to the proposal as adopted unanimously by the House. This would give both the British and Irish Governments more flexibility in applying the Fund on the ground in Northern Ireland and those areas most affected in the South.

Background Documents

1. A general note on the International Fund.
2. The text of the main speech on Northern Ireland given by the Taoiseach during his recent visit to the U.S. [to the Friendly Sons of St. Patrick in Scranton, PA].
3. Text of Anglo-Irish Agreement.

Roinn an Taoisigh
8 Aibreán, 1986.