E.R. 11/6

PS/Mr Bloomfield - M
Mr A W Stephens - M
Mr Elliott - M
Mr Gilliland - M
Mr Spence - M
Mr G Hewitt - M
Mr S Hewitt - M
Mr McConnell - M
Mr Bell
Miss Elliott

cc Mr Brennan

(8)

1088/1307

POLITICAL DEVELOPMENTS GROUP

1. The agenda for the meeting of the Group at 14.30 hours on 28 July in the Conference Room, Stormont House will be:

Item 1: Future Strategy: a Paper for Ministers which should cover the following elements:

(i) Assessment of the current political scene in Northern Ireland in the light of the marching season, dissolution of the Assembly and the worsening economic situation [Paper PDG(86)3, circulated under Mr Elliott's minute of 23 July];

(ii) Future developments in the Intergovernmental Conference, including impact of the divorce referendum [Paper PDG(86)4 by SIL, to be circulated];

(iii) Review of the options for internal political development, including the possibility of establishing talks about devolution or modifying direct rule [Paper PDG(86)5 by CPL, attached].

Item 2: AoB.

S L Rickard

S L RICKARD
CPL
24 July 1986

E.R.

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PDG(86)5

POLITICAL DEVELOPMENT WITHIN NORTHERN IRELAND

Introduction

1. The purpose of this paper is to examine possible ways of stimulating political progress in the Autumn in order to help PDG decide which might be the best tactics for the Secretary of State to adopt.

2. We assume that the Government's objectives are the development of the Anglo-Irish Agreement and the eventual establishment of a widely acceptable devolved government. An improvement in relations with the UUP and DUP, and a resumption of normal dialogue with the Government, seem a prerequisite of talks about a new devolved government either with the Government or among the parties themselves.

Background

3. For the moment political movement is stalled. The unionist parties remain opposed to the Agreement but appear confused about their future constitutional policies and strategies. The UUP is internally divided. There are differences between the UUP and DUP. The Northern Ireland Assembly has been dissolved: but integration has been ruled out. The SDLP have offered to talk about devolution but wait upon developments in the unionist camp. They and the Irish Government are increasingly anxious for positive results from the Agreement - (an Irish election is looming).

4. This predicament arises despite the Government's efforts to secure the unionists' acceptance (however reluctant) that the Agreement, overwhelmingly approved by Parliament, will not be abandoned, suspended or placed in abeyance because they oppose it. With the cooperation of the Irish Government, measures discussed in the Intergovernmental Conference thought likely further to inflame unionist feelings, have not been implemented. Offers of talks from the Prime Minister, the Secretary of State, and senior NIO officials have been rebuffed, despite the use of formulae designed to help the unionists move from their entrenched public positions, should they wish to do so.

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Possible future options

5. Prospects for a unionist change of heart in the Autumn seem slim. At her meeting with unionist leaders on 25 February, the Prime Minister was categoric that their main demand - suspension of the Agreement - was not possible. The furthest that the Government would go would be to implement the Agreement sensitively. This gulf remains to be bridged. Possible ways of encouraging a different attitude among unionist parties, without losing the SDLP and the Irish Government, include the following options, which are not mutually exclusive.

i) The Secretary of State might continue to try to find a formula for talks which would meet their sensitivities; it might be best for these to begin in low key, perhaps at official level.

ii) As Mr Peter Archer suggested in the debate on the Dissolution Order on 19 June, an invitation might be issued to the parties represented at Westminster to talk about the handling of NI business, an issue of particular concern to the UUP; it could be made clear that these talks would proceed with or without unionist participation.

iii) All the NI constitutional parties could be invited to a conference on devolution on a particular date.

iv) The Government's willingness to talk to the unionist parties is widely understood; instead of taking additional steps to prove it, the Secretary of State could be seen to concentrate on the business of dealing with Northern Ireland's economic and security problems, and with implementing the Anglo-Irish Agreement more openly than hitherto by acting on proposals put forward by the Irish Government in the Intergovernmental Conference.

Discussion

6. It makes sense, whatever approach he adopts, for the Secretary of State's readiness to discuss unionist concerns

to be reaffirmed, and for the Government to be alert for openings which might lead to talks. But to adjust Government policies specifically to encourage a more forthcoming approach, as has been done during the past ten months, would seem vain, given that policy's lack of success. In addition, by appearing to focus on unionist sensitivities rather than to be dealing with both unionist and nationalist interests, it could damage the Government's credibility in the eyes of the minority and of the Irish Government.

7. Option (ii) might prove tempting to the UUP leadership (though less so to the devolutionist wing) but it would hardly attract the DUP and would exclude Alliance. It takes the Government into an area where there is limited scope for manoeuvre if the policy of devolution is to be preserved. And Ministers took the view on 30 June that any such discussion should <u>follow</u> the unionists return to Parliament. Option (iii) was put forward by the unionists in correspondence with the Prime Minister earlier this year, and has been advocated by Mr Hume in the belief that the unionists would eventually turn up, if all the parties did so. But he probably underestimates their ability to maintain a boycott. Such a conference would take careful preparation and time to set up. It is a card which could only be played once, ideally when circumstances seem more propitious than they are likely to be in the Autumn.

8. Option (iv) might lay the Government open to charges of inertia in the face of clearly unsatisfactory relations with the unionists, although the record during recent months is a good defence. But at least it takes forward one part of the Government's objective - the fostering of the Anglo-Irish Agreement. And by demonstrating its commitment in practical terms, it might convince the unionists more than words have been able to do so far, that the Agreement is here to stay. Thus they may increasingly focus on the reassessment of policies which the signing of the Agreement set in train. Gradually this might lead them back to the Government. They need a relationship with the Government. And their absence from Parliament will be more difficult to justify to their

constituents as the next election draws near. Thus in CPL's view, this is the course to recommend to the Secretary of State, bearing in mind the proviso that his openness to constructive dialogue remains.

Modification of direct rule

9. The Anglo-Irish Agreement supports the Government's long-standing policy of seeking a widely acceptable devolved Government for Northern Ireland. Although the Northern Ireland Assembly was dissolved in June, the Secretary of State has said that he wants to see election to a new Assembly, without which devolution cannot take place. Although the prospects of the parties reaching an agreed basis for devolution are remote, it would look odd to give up the objective less than a year after the Agreement was made. Indeed it would premature to do so before the full impact of the Agreement on party policies has worked through: it has always been recognised that this would take time.

10. To introduce changes to direct rule in the Autumn would be taken as a signal that the Government had either abandoned the objective of devolution, or accepted that it was not obtainable for some considerable time. This would reduce the pressure on the parties to adjust their policies. Furthermore, many of the measures suggested for streamlining direct rule procedures are integrationary. The Government set its face against integration last month. It is for this reason that modifications to direct rule are not included in the options for the Autumn which might be suggested to the Secretary of State.

11. But if next year the divide between the constitutional unionist and nationalist parties remains as wide and the achievement of devolution as unlikely, that will be the time to consider whether the policy should be maintained, or adapted. If the emphasis changes, then a number of innovations could be made, for example;

(i) most legislation for Northern Ireland could be by Bill: Orders in Council could be preserved in case it were desirable from time to time to legislate for Northern Ireland in distinct terms;

(ii) special arrangements could be made to enable Parliament to deal with this extra load (eg Second Readings might be taken in a new NI Standing Committee);

(iii) within Northern Ireland, consultative committees might be appointed to deal with eg environmental, industrial development or agricultural matters. They might be drawn from the constitutional parties or from experts in the subject matters;

(iv) a consultative security forum might be established comprising representatives of the constitutional political parties;

(v) the composition of the statutory boards might be reviewed to see if greater political participation were desirable.

12. The nature and extent of the changes would depend on the long term policy objective. CPL are examining the possibilities to present to PDG later this Summer. But in our view it does not seem desirable to introduce them to the Secretary of State at this stage as candidates for action in the Autumn.

Constitutional & Political Division
23 July 1986