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10 DOWNING STREET

CCPC NIO SLZAFO

From the Private Secretary

10 March 1986

NORTHERN IRELAND: TAOISEACH'S TELEPHONE CALL TO THE PRIME MINISTER

Thank you for your letter of 7 March explaining the background to Dr. FitzGerald's complaint to the Prime Minister that United Kingdom officials had asked the White House to treat his visit to the United States in a low profile way.

The Prime Minister was most grateful to have this explanation. It is clear to her that the Taoiseach totally misrepresented the situation and she wishes this to be brought home to him in no uncertain way. She would be grateful, I am sure, if the Foreign Secretary could leave Mr. Barry in no doubt of her regret that the Taoiseach should have chosen to raise the issue in this way and to give credence to the notion that we were in some way trying to undermine his visit. She hopes that Sir Robert Armstrong will speak equally firmly today to Mr. Nally. The Prime Minister is considering telephoning Dr. FitzGerald in the United States. I shall let you know if she proceeds with this.

I am copying this letter to Michael Stark (Cabinet Office).

C D POWELL

Len Appleyard, Esq., C.M.G., Foreign and Commonwealth Office

CONFIDENTIAL Foreign and Commonwealth Office Dams Get the London SW1A 2AH terretion which we made 7 March 1986 contribution Lorded Northern Ireland: Taoiseach's Telephone Call to the Prime Minister Thank you for your letter of 7 March in which you The I shell recorded, among other things, that Dr Fitzgerald had complained to the Prime Minister that UK officials had made a request to the White House that his forthcoming Taxibuck visit to the United States should be handled in a low profile way. Having made enquiries, we conclude that the Taoiseach's telephone call must reflect a misunderstanding arising from our attempts to ensure that the US contribution to the Fund should not be conspicuously "handed over" to the Taoiseach at the dinner which he is attending at the White House on St Patrick's Day. I enclose copies of FCO telno 252 to Washington and Washington telno 358, which set out the story do hall in detail. As you will see, there was never any question of attempting to undermine the Taoiseach in any way. Nor did we make any direct approach to the White House. Our will sole concern was that any public announcement by the US Administration of their proposed contribution to the Fund should take full account of Unionist Sensitivities. David Goodall subsequently spoke in similar terms to Sean Donlon and encouraged him to make sure that the American side exercised appropriate restraint. You mentioned that Sir Robert Armstrong would be having a private meeting with Dermot Nally on 10 March, and suggested that this would provide a good opportunity to set the record straight. We agree. You will want to be aware that the Foreign Secretary will be meeting Mr Barry in Brussels in the margins of the Foreign Affairs Council on the same day: the subject may well arise then too. I am copying this letter to Michael Stark in the Cabinet Office. Your wer, (L V Appleyard) Private Secretary C D Powell Esq PS/10 Downing Street CONFIDENTIAL

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PUS'S CALL ON ARMACOST, 12 FEBRUARY: NORTHERN IRELAND 1. THE PUS REVIEWED DEVELOPMENTS SINCE THE HILLSBOROUGH AGREEMENT. SOME ENCOURAGEMENT HAD BEEN DRAWN IN PARTICULAR FROM THE BY-ELECTION RESULTS. BUT A WAY HAD TO BE FOUND TO CONVINCE MODERATE UNIONISTS OF THE ADVANTAGES OF THE AGREEMENT. RESULTS IN THE SECURITY FIELD, PARTICULARLY IN CROSS-BORDER COOPERATION, WOULD HELP. SO OF COURSE WOULD IMPROVEMENTS IN THE ECONOMIC WELL-BEING OF NORTHERN IRELAND, AND HERE THE UNITED STATES COULD PLAY AN VERY IMPORTANT PART HERE THROUGH FINANCIAL AND ECONOMIC ASSISTANCE. THE US CONTRIBUTION TO THE PROPOSED INTERNATIONAL FUND WAS THE KEY WHICH WOULD UNLOCK OTHER COUNTRIES' DOORS. 2. ARMACOST REAFFIRMED THE IMPORTANCE ATTACHED TO THIS BY THE ADMINISTRATION: IT WAS BEING GIVEN AN URGENT PUSH. BUT IT HAD PROVED HARDER THAN EXPECTED TO IDENTIFY SOURCES OF FUNDS. SHULTZ HAD INDICATED ON THE HILL THAT DOLLARS 45-50 MILLION A YEAR OVER 5 YEARS WOULD BE REASONABLE. BUT COMPENSATING SAVINGS HAD TO BE FOUND FROM ELSEWHERE. ARMACOST PROMISED THAT THE ADMINISTRATION WOULD COMPLETE ITS WORK AS SWIFTLY AS POSSIBLE. THE PUS RECALLED THAT THREE QUARTERS OF THE FUND WOULD GO TO NORTHERN IRELAND, THE REMAINDER TO THE REPUBLIC. IN PLANNING DR FITZGERALD'S VISIT TO WASHINGTON IN MARCH, HE WAS SURE THAT THE ADMINISTRATION WOULD BEAR IN MIND THE PUBLIC PRESENTATIONAL SENSITIVITY IN UK TERMS OF THE TADISEACH APPEARING TO ACCEPT A US PACKAGE ON BEHALF OF BOTH PARTS OF TRELAND. WILKINSON (DEPUTY ASSISTANT SECRETARY FOR EUROPEAN AFFAIRS) SAID THAT THE STATE DEPARTMENT WERE WELL AWARE OF THE POINT. SOMETHING WOULD HAVE TO BE SAID AT A ST PATRICK'S DAY DINNER HONOURING SPEAKER O'NEILL. IT MIGHT BE NECESSARY FOR THE US AND UK TO LEAN JOINTLY ON THE IRISH TO TONE DOWN THEIR PROSE. STATE WOULD KEEP IN TOUCH WITH US.

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3. SIR A ACLAND INQUIRED ABOUT THE PROSPECTS FOR THE US-UK SUPPLEMENTARY EXTRADITION TREATY. ARMACOST SAID THAT THE NEXT QUESTION WAS TO CONSIDER WHETHER THERE SHOULD BE SOME ''REFINEMENT'' OF THE LANGUAGE. WILKINSON REFERRED TO THE HELP-FUL AMERICAN BAR ASSOCIATION VOTE TO SUPPORT RATIFICATION OF THE TREATY. THE STATE DEPARTMENT WOULD BE TAKING SOME SOUNDINGS ON THE HILL NEXT WEEK TO ASSESS THE IMPACT OF THE ABA DECISION AND THE PROSPECTS FOR GETTING AN AMENDED VERSION OF THE TREATY APPROVED. THE PUS SAID THAT WE WOULD BE WILLING TO CONSIDER MINOR AMENDMENTS IN ORDER TO SECURE EARLY SENATE APPROVAL, PROVIDED THAT THEY DID NOT EMASCULATE THE TREATY.

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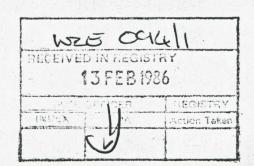
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PERSONAL FOR PUS FROM GOODALLO
INTERNATIONAL FUND

1. YOU HAVE SEEN THE PERSONAL MESSAGE WHICH THE SECRETARY OF STATE HAS SENT TO SHULTZ ON THE FUND. THE ADMINISTRATION WILL NOT HAVE HAD TIME TO DIGEST THIS BEFORE YOU SEE ARMACOST AND MRS RIDGEWAY, BUT I THINK IT WORTH YOUR REFERRING TO IT, AND MENTIONING THAT A SUNDAY TIMES ARTICLE OF 9 FEBRUARY REPORTED THE POSSIBILITY THAT FITZGERALD WOULD BE INVITED TO THE WHITE HOUSE DURING HIS VISIT TO WASHINGTON ON ST PATRICK'S DAY SO THAT THE PRESIDENT AND CONGRESSIONAL LEADERS CAN MAKE A FORMAL ANNOUNCEMENT ABOUT THE ESTABLISHMENT OF THE FUND. IT WOULD BE HELPFUL IF YOU COULD DRAW TO THE ADMINISTRATION'S ATTENTION THE POLITICAL DIFFICULTIES WHICH IT WOULD CAUSE IN NORTHERN IRELAND IF, WHEN 75 PER CENT OF THE FUND IS TO COME TO NORTHERN IRELAND, IT WERE TO BE CONSPICUOUSLY 'HANDED OVER' TO THE TAOISEACH AT WHAT IS ESSENTIALLY AN IRISH NATIONALIST CEREMONY IN WASHINGTON WITH THE UK PLAYING SECOND FIDDLE. IF (AS MAY WELL BE THE CASE) AGREEMENT HAS NOT BEEN REACHED ON THE MODALITIES OF THE FUND BY THAT TIME, THE PROBLEM WILL NOT ARISE. BUT OUR PREFERENCE WOULD IN ANY CASE BE FOR THE FUND TO BE LAUNCHED WITHOUT TOO MUCH POMP. IF THERE IS TO BE A CEREMONY, WE SHOULD WANT THE UK TO PLAY AT LEAST AN EQUAL PART IN IT WITH THE IRISH.

HONE

RID

MR GOODALL

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