





# Nations and Regions: The Dynamics of Devolution

**Quarterly Monitoring Programme** 

## **Northern Ireland**

Quarterly Report November 2004



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# Devolution Monitoring Programme Northern Ireland report 21 November 2004

- Leeds Castle talks join list of failures
- Warning that progress might be impossible before 2006
- Moderation not lost but misplaced, survey finds
- Unpopular measures pressed ahead under direct rule

### **Contents**

1. Summary	Robin Wilson	4
2. The 'peace process'	Rick Wilford	5
<b>2.1 Introduction</b>	••••••	5
2.2 Still more talks		5
2.3 Fundamental disagreement		9
2.4 They haven't gone away		13
3. 'Devolved' government	Robin Wilson	16
4. The assembly	Rick Wilford and Robin Wilson	18
5. The media	Greg McLaughlin	19
5.1 Introduction	_	19
<b>5.2 Leeds Castle</b>		19
<b>5.3 Public finance</b>		20
5.4 Hard-pressed		21
6. Public attitudes and identity	Lizanne Dowds	23
6.2 Post-election survey	•••••	23
7. Intergovernmental relations	Robin Wilson	27
	Elizabeth Meehan	
8.1 Introduction	••••••	28
8.2 Swords into swords?	•••••	28
8.3 NI in the EU	•••••	28
9. Relations with local government	Rick Wilford and Robin Wilson	30
10. Finance	Rick Wilford and Robin Wilson	
10.1 Water charges		31
_	•••••	
8	•••••	
11. Political parties and elections	<b>Duncan Morrow and Robin Wilson.</b>	35
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	Rick Wilford and Robin Wilson	

#### 1. Summary Robin Wilson

It was another frustrating quarter for ministers in Northern Ireland, as the second anniversary of the suspension of devolution came, and went. During supposedly 'final' talks on its restoration at Leeds Castle in September, chaired by the prime minister and the taoiseach, warm words from Sinn Féin once again met cold practicality from unionists (now led by the Democratic Unionist Party) to no avail. This time there was an added ingredient, with don't-take-us-for-granted threats from the jilted Ulster Unionists and SDLP that they might refuse to take part in any new, 'inclusive' government negotiated by their ethnic rivals.

As so often before, a 'deadline' set by government turned out to be just another line in the sand. A final, final target for a resolution was, eventually, defined by the taoiseach, Bertie Ahern, as November 25<sup>th</sup>—first anniversary of the second election to the still-virtual assembly. He accompanied this with the dark warning that the forthcoming Westminster election plus the UK's foreign-policy commitments (G8 and EU presidencies) would prevent progress being essayed anew until 2006.

At the time of writing, the governments were still considering a 'take it or leave it' document to put to the parties if that latest deadline passed too. But despite its initial reservations about much of the agreement (and its failure to secure the IRA decommissioning that required by 2000), SF presented itself as moral guardian of the irrevocable letter of the accord. Meanwhile the DUP, though having softened its outright opposition to the agreement of 1998, remained insistent on substantial changes, which would in effect give the party a veto over politics in the region at its current electoral strength.

Evidence from a survey conducted in the wake of the assembly election revealed that many electors had voted for the more explicitly ethno-nationalist parties—SF and the DUP—a year earlier in the fond belief that they had, in fact, moderated their stances. This sentiment was notably not shared among those (a growing proportion) who had not voted at all.

The running of Northern Ireland meanwhile continued to look more and more that of a colonial satrapy, with the direct-rule team largely ignoring public sentiment in the region, articulated in media coverage of controversial initiatives like water charges, and with the political class largely retreating into oppositionalism. Unionist politicians began openly to speculate that the mothballing of the Stormont assembly could not be long postponed.

#### 2. The 'peace process' Rick Wilford

#### 2.1 Introduction

Notwithstanding the most recent, but disjointed, talks process that extended from February 2004 until November, the prospect of the restoration of devolution in the short term is receding. The centrepiece of this process was two and a half days of negotiations at Leeds Castle in September, co-hosted by the Dublin and London premiers, which followed an abortive round of discussions at Lancaster House in June.

#### 2.2 Still more talks

Though the Leeds Castle talks did not produce a breakthrough, this is not to imply that no progress was made—at least in the minds of the two principals, Bertie Ahern and Tony Blair. In a joint statement issued afterwards they said they believed 'we can resolve the issues to do with ending paramilitary activity and putting weapons beyond use' and disclosed that while they had not received a written statement from the IRA, they felt confident enough to remark that 'what is on offer is reasonable in its substance and historic in its meaning'.<sup>1</sup>

Though buoyed by the IRA's private undertakings, the prime ministers did not underestimate the remaining difficulties. Changes sought by the Democratic Unionist Party to the institutions and procedures in each of the Belfast agreement's three 'strands', as per its proposals for the review of the operation of the agreement that began in February 2004, were anathema to Sinn Féin and the SDLP, each of which sought to defend what they cleave to as the 'fundamentals of the agreement'. In the wake of the failed talks, so outspoken was the SDLP's leader, Mark Durkan, in relation to the DUP's agenda that he and his party were dubbed, with undisguised *Schadenfreude*, as 'rejectionists' by the DUP—a label previously pinned on Rev Ian Paisley's party by republicans.

For its part, the leadership of the Ulster Unionist Party did attend the Leeds Castle talks, having previously boycotted the review process since early March (see May 2004 report), but on a single platform—the demise of the IRA. At the outset of the talks, the party leader, David Trimble, reiterated the UUP's position, steadfastly articulated before and since the failed 'deal' of October 2003: 'The outstanding issue remains, as it has been for the past six years, the removal of paramilitarism in all its forms, including the decommissioning of paramilitary weapons.' He reminded the assembled journalists that his party had 'put the process on hold' at the time, 'when Republicans failed to decommission in a clear and transparent way that would, in their own words, "maximise public confidence". And he continued: 'Here we are again in another round, still trying to solve the problem of the Republicans' failure to honour their obligations'.

What Mr Trimble prescribed was simple to state—but not easy to deliver. He urged the two governments to publish what he believed they had in their possession, *viz* 'the total inventory of IRA weapons', and the head of the Independent International Commission on Decommissioning, John de Chastelain, to 'free himself from his vow of silence by the IRA to allow him to confirm the percentage of weapons that have already been decommissioned and then tell us the length of time that will be needed to destroy the remainder of the weapons'. He went further, not only in insisting that 'we need to know that the IRA is being stood down and ceases to exist', but also in supplying a draft of the desired statement from the IRA that he deemed necessary 'to build confidence in the community that the use of force is at an end'.<sup>2</sup>

Subsequently, the UUP did publish a paper (see below) giving its ideas about reforms to the operating procedures of a new assembly, but this seemed a token gesture on its part—likened by Mr Trimble to 're-arranging the deck chairs on the Titanic'. The main issue remained 'Republican failure to live up to their obligations and engage in acts of completion'.<sup>3</sup>

Neither the UUP nor the SDLP was, however, one of the key players at Leeds Castle: those roles were performed by the DUP, SF and the two governments. The minor parties, Alliance and the Progressive Unionist Party (political wing of the Ulster Volunteer Force), were consigned to the margins. For the governments, a major difficulty in orchestrating the talks was the blank refusal of the DUP, led by Mr Paisley, to engage in discussions with the SF delegation, headed by Gerry Adams. The fact, too, that the SF delegation had nothing on paper from the IRA (despite the membership overlap at senior level) meant that whatever the exact nature of the latter's 'offer', it was not available to the Northern Ireland parties: they had to rely on what was communicated to them by the governmental delegations, although its apparent substance did appear later in an article by the BBC's security editor, Brian Rowan.

Though there was no suggestion that an IRA statement was imminent, the report gave 'strong indications' of what it would be prepared to do in the context of a "comprehensive" deal being achieved', including "working politics" as one of its elements'. The list included:

- an end to all paramilitary activities as stipulated in the intergovernmental joint declaration of May 2003;
- significant acts of decommissioning within 'a few months', *ie* possibly before Christmas 2004, enabling the IICD to report that 'the threat of IRA guns has gone'; and
- an undertaking that the IRA would 'melt' (rather than 'fade') 'away' and that all future statements from within the republican movement would issue from SF rather than the pseudonymous 'P O Neill'—a symbolic acknowledgement of the IRA's retirement from the field.

The *quid pro quo* was the full implementation of the agreement and the implementation of the UK government's commitments as detailed in the intergovernmental joint declaration of May 2003 (see May 2003 report)—or, rather, those sanctioned by the republican movement, including rapid 'demilitarisation' and the speedy devolution of policing and criminal-justice powers. In addition, the IRA sought the withdrawal of plastic bullets by the summer of 2005 and the repeal of at least some 'anti-terrorist' legislation at the conclusion of the 'demilitarisation' process.<sup>8</sup>

If the report was accurate, then there was some justification for the guarded optimism expressed by Messrs Blair and Ahern at Leeds Castle, albeit that the precise meaning, in the IRA's preferred terms, of 'putting arms beyond use' has never been pellucid, while its refusal to state unequivocally that 'the war is over'—since to do so would breach a canon of republican theology—does nothing to assuage unionist concerns.

The DUP's response to the Blair/Ahern remarks was terse: in Mr Paisley's words, 'I'm too old to be bluffed'. The rumour mill churned out an apparent undertaking that the IRA might allow some photographic evidence of decommissioning to be provided by the commission but, as the autumn talks wore on, that prospect seemed to recede. Mitchel McLaughlin of SF indicated that the expectation that the IRA would 'do a Steven Spielberg' was misplaced. But the DUP was undaunted. Its deputy leader, Peter Robinson, insisted: 'There must be complete, verifiable and transparent decommissioning and to gain public confidence, it is vital it has a visual aspect.'

The DUP's determination to forge 'a new agreement' and 'a fair deal' has proven unstinting: it cannot, for instance, seek to advocate a political bargain with SF that, to all intents and purposes, is little different from that which many, including the SF leader, thought had been struck between Messrs Trimble and Adams in October 2003. It has to be able to demonstrate, palpably, that any such bargain is significantly different from that sought by the UUP leadership last year.

On the other hand, the SDLP and SF are equally staunch in defence of the 'fundamentals' of the 1998 agreement and its full implementation. The task, then, is to agree a revised political accommodation that dovetails the demand for novelty on the one hand and, on the other, the defence of these 'fundamentals'. It is of identifying some common ground or, at least, wriggle room, enabling the DUP and SF to carry their supporters and voters with them.

Such common ground, if it does exist, *may* be found in the operating procedures of the agreement's political institutions, within Northern Ireland and along the north-south and 'east-west' axes. That, at least, seems to be the impression fashioned, not least, by the two governments in the aftermath of Leeds Castle. It is certainly the case that the DUP seeks reform across all three 'strands' (none of which it helped to design), and its position seems tantamount to the oft-quoted dictum that 'nothing can be agreed until everything is agreed'.

While the agreement included provision to review its institutions and procedures—the failed process begun in February 2004—the changes on the DUP's agenda, depending on one's perspective, threaten or promise a new accord. Thus, even if it was to be satisfied that the IRA had disarmed and disbanded, completely and permanently, thereby enabling it to enter a fully inclusive executive, the party's proposals in relation to all three strands (see May 2004 report) create massive problems for Catholics, not least the DUP's preference for the separate rather than joint election of first and deputy first ministers, the *status quo* being regarded by SF and the SDLP alike as one of the agreement's 'fundamentals'.

Moreover, the DUP's position appears to be that some time would have to elapse between the IRA's 'acts of completion' and the restoration of devolution—dubbed by some a 'decontamination' period. That is, the IRA would have to 'jump first' and then await the DUP's judgment of republicans' commitment to exclusively peaceful and democratic means, and the abandonment of organised criminal activity, before being ushered into an inclusive executive once more. This means that the role of the Independent Monitoring Commission, whose first (see May 2004 report) and third reports have catalogued that paramilitary and criminal activity, will bulk ever larger in the calculations of the parties—not least the DUP—though SF regards this commission as but a 'securocrat' stick with which to beat the republican movement.

The latest IMC report on paramilitary organisations was handed to the two governments on October 28<sup>th</sup>. Another is scheduled six months hence. This may be the timeframe of the 'test' period in the DUP's mind and would take Northern Ireland perilously close to the anticipated general election (and certain local-government elections) in May 2005, at which the DUP and SF are poised to make further gains at the expense of their intra-ethnic rivals. In that context neither, especially the DUP, will be prepared to strike a deal that could be represented as resiling from its position. It is perhaps for that reason that Martin McGuinness of SF issued a seemingly arbitrary deadline of the end of October for the resolution of the outstanding issues<sup>10</sup> and also why the two governments suggested in the aftermath of Leeds Castle that the current difficulties could be resolved within 'weeks rather than months' (the Northern Ireland secretary, Paul Murphy) and 'the immediate future' (the taoiseach, Mr Ahern).

Despite or, rather, because of the failure to resolve the impasse at Leeds Castle, the two governments held separate bilateral talks with the key players in Belfast, London and Dublin—including the first ever face-to-face political discussions in Dublin between Mr Paisley and any taoiseach—following meetings co-hosted by the Northern Ireland secretary and his Dublin counterpart at Stormont in late September. These discussions encouraged the governments to believe that the prospects for progress had improved. One (implied) signal of forward movement was an unexpected remark about a potential SF role in government in the republic by the new foreign minister, Dermot Ahern (no relation).<sup>11</sup>

Currently, Fianna Fáil's position is that SF cannot be in government while the IRA holds on to its arsenal and remains active: this, of course, is four-square with the

positions of the DUP and the UUP in the north.<sup>12</sup> Yet, speaking at Hillsborough Castle following talks with Mr Murphy, Mr Ahern said: 'Obviously, if circumstances change, our view in relation to Sinn Féin going into government will change. I believe it is only a matter of time that Sinn Féin will be in government in the future ... There will come a time, I envisage, when [it] will be in government in the Republic as they will be in the North, and *I hope that happens in the future*.'<sup>13</sup> The upbeat remarks helped to feed the view that some deal was in the offing, but this (mis)interpretation was corrected swiftly by a number of ministers, as was the foreseeable inclusion of SF in a Dublin government.

Within days of his namesake's remarks, the taoiseach indicated that in his view the 'window of opportunity' to strike a deal was narrow, and that if it was lost the restoration of the devolved institutions would be 'deferred for some time'. On the matter of SF's status as a future coalition partner, Mr Ahern was equally downbeat, noting that he would not speculate on any timescale until the IRA had fully decommissioned and disbanded.

As October unfolded what optimism had been in the ether gradually began to dissipate. And as it yielded to November, it was evident there was slippage in the timetable, such that the taoiseach indicated on November 2<sup>nd</sup> that the deadline would now be November 25<sup>th</sup>. On November 8<sup>th</sup> he warned with obvious frustration—implicitly directed at the DUP—that failure would put any progress on hold until 2006 because of the UK government's prospective G8 and EU presidency commitments. <sup>16</sup>

#### 2.3 Fundamental disagreement

The task of dovetailing the DUP's insistence upon a 'new' agreement and SF's (and the SDLP's) defence of its 'fundamentals' looked increasingly insuperable. According to Mr Adams, these latter included 'power-sharing between nationalists and unionists with legally entrenched checks and balances, protections and safeguards ... the all-Ireland institutions, equality, human rights and an acceptable and accountable police service'. And he said that 'the spine of any agreement would have to be progress on the vexed issue of policing'. Against this agenda, he set out his perception of the DUP's position:

Firstly, they are demanding that republicans do everything and that only then will they talk to Sinn Féin ... this is unacceptable. Secondly the DUP time-frame for the re-establishment of the political institutions—in the context of an agreement—is much too long and is premised on their demand that we be tested! This is undemocratic, offensive and unacceptable. Next, the DUP are demanding as a precondition that SF endorse the current policing arrangements ... The transfer of powers on policing and justice are [sic] an essential element to any delivery of democratic accountability of [sic] policing. So far the DUP position on a

target date for transfer is so vague and aspirational, and so far off, as to be meaningless. Nor has there been any negotiation around the modalities or the departmental model which is necessary for the legislative process to begin. Finally, the DUP is also demanding changes to the Good Friday Agreement which would provide unionism with a veto over the work of republican and nationalist ministers. This is not acceptable.

This litany of charges meant, according to the SF president, that the DUP had 'not changed its opposition to the core values of the Agreement' and that the two governments had 'been less than frank in telling [it] that these changes to the fundamentals of the Agreement are not up for change'.<sup>17</sup>

But the DUP has its own interpretation of the 'fundamentals', praying in aid a letter of December 2003 from the Northern Ireland secretary to Mr Paisley. The deputy leader, Mr Robinson, quoted directly from Mr Murphy's letter setting out the government's definition of the 'fundamentals of the Agreement': 'the commitment to exclusively peaceful and democratic means; the guarantee that there will be no constitutional change without consent; and the requirement for cross-community participation in devolved government'. According to Mr Robinson, at a subsequent meeting Mr Murphy 'added the need for north-south co-operation to this list'. He continued:

[N]one of these principles would be inconsistent with what the DUP has been saying. Of course the method of achieving them can differ from how they were being sought in the Agreement, but that is a matter of process not principle. What is more important is that the Government had peeled back the many offensive issues in the Agreement to these non-offensive principles. <sup>18</sup>

Whilst such a stripping back appealed to the DUP, it is clearly insufficient for the SDLP and SF. One party's incidentals are another's fundamentals. By mid-October time was, in Mr Adams' view, 'fast running out' and it was for the DUP and the governments 'to match the willingness of republicans to take initiatives and find compromises'. And if the DUP was not 'up for it', then 'the governments should make it clear that the process of change will continue anyway'. <sup>19</sup>

To the extent that the republican movement was 'up for it', then 'it'—the new, comprehensive deal—would have to be implemented before the presumed general (and local) elections in May or after it, not overarch it: there is no preparedness on the part of SF to allow itself or the IRA to be judged as having passed any 'decontamination' test or for the IRA to engage in decommissioning before the election if power-sharing devolution has to wait until afterwards. In that respect, any such test of its credentials would have to be foreshortened—if, that is, the SF leadership were prepared to accede to such a demand.

The DUP is not alone in insisting upon photographic evidence concerning the nature and volume of the disposal of IRA arms: this is also the stated view of the two governments. At Northern Ireland questions, for instance, the security minister, Ian Pearson, made it clear that 'if there is to be public confidence in the decommissioning process, greater transparency is required in relation to the arms that are to be decommissioned and how long it will take to complete the process'. This was confirmed by Mr Murphy, responding to the chair of the Northern Ireland affairs committee, Michael Mates: 'Unless there is sufficient transparency to induce confidence among people in Northern Ireland … we will not make progress … transparency and confidence are at the heart of the discussions.'<sup>21</sup>

The SDLP, while endorsing the need for transparency, was staunch in defence of the agreement, its leader adamant that he would 'not ditch or dump its fundamentals', a position he insisted was consistent with 'greater accountability, transparency and efficiency in its institutions and workings'. In mid-October, the SDLP published a document setting out its position and its understanding of the DUP's demands. It reiterated its endorsement of the joint election of the first and deputy first ministers, which 'the DUP wants to scrap'. And it rejected the party's proposal to enable 30 MLAs to stop a ministerial decision, even though it was authorised by legislation and had budgetary approval—noting that the DUP alone would command 30 or more MLAs in the newly elected assembly and would, thereby, be in a position to produce 'gridlock' through the exercise of a veto in the chamber. The SDLP questioned the DUP's commitment to power-sharing, pointing out that in four district councils—Ballymena, Coleraine, Castlereagh and Lisburn—it refused to share power with nationalists. It also set a deadline of 18 months for the transfer of policing and criminal justice powers, whereas the DUP 'will not agree to a target date'. 24

In respect of the accountability of the North/South Ministerial Council, the SDLP endorsed the *status quo*, arguing that 'the Agreement already provides for enough accountability' and that 'it is impossible for Ministers to take rogue decisions', whereas 'the DUP wants the Assembly to be able to veto any decision taken at the NSMC'. Although the SDLP offered no principled objection to the DUP's proposed 'efficiency review' of north-south bodies—'provided it is commissioned by and reports to the NSMC'—it sought agreement from Mr Paisley's party to additional north-south bodies and areas of cross-border co-operation, and the creation of north-south parliamentary and civic fora, to 'give confidence that the DUP will work in the NSMC agenda which up to now they have refused to do'.

In an annex to the document the SDLP set out its own proposals for strengthening the accountability and 'collectivity' of the executive, including a statutory obligation to adopt a ministerial code. Here there was common ground with the UUP, which proposed that the existing ministerial code be given statutory authority and that devolution should follow agreement among the parties to be subject to collective responsibility. <sup>25</sup> Responding to concerns over the accountability of the north-south dimension, its paper proposed that the chief executives of the implementation bodies appear before the relevant assembly statutory committee, that they be subject to audit

by the Northern Ireland Audit Office and that the bodies face quinquennial reviews and evaluations. Finally, and in common with the DUP, it proposed that a permanent secretariat be established to develop the work of the British-Irish Council—given, among other things, the consensus among the parties that the Cabinet Office 'did not deliver a good service'.

This was a modest set of proposals: in the words of the former devolved minister Sir Reg Empey, it represented 'fine-tuning' which needed to be 'sorted out because the process was losing its focus on the real issue—paramilitarism'. This was the message conveyed to the republic's foreign minister, Mr Ahern, by a UUP delegation towards the end of October, as hopes began to dwindle of a satisfactory resolution to the talks. As Sir Reg, who led the delegation, put it, 'cosmetic changes to the mechanics of the agreement are but a secondary issue and a side-show while huge question marks remain over whether republicans are committed to exclusively peaceful and democratic means'. 27

While 'it's decommissioning, stupid' sums up the UUP's stance on the renewal of devolution, Mr Trimble's commitment to what he perceives as 'the core' of the agreement is undiminished: 'The core of the Agreement—Northern Ireland part of the UK, fair shares in government for all, institutional ties to the Republic of Ireland, justice and equity of treatment for every citizen—is now accepted across the board ... It has its strengths and weaknesses but we proved that it is eminently workable. The social stability and economic growth even after the political hiatus post-suspension is a tribute to the soundness and strength of the Agreement.'<sup>28</sup>

Earlier in October rumours began to circulate that both the UUP and the SDLP were considering the option of going into opposition within a new assembly if they were unable to sanction a deal involving the DUP and SF.<sup>29</sup> Apart from changing utterly the dynamics of an assembly which, to date, has had no formal official opposition, this would make it impossible for an executive to be established: a two-party government involving the DUP and SF would be a chimera. Senior SDLP sources subsequently sought to represent this stance as having been a shot across the bows at Leeds Castle, though any separation of the team of first and deputy first ministers appeared a *ne plus ultra* for the party.

As the prospect of an inclusive deal receded, the two governments began to talk of presenting yet another joint declaration, a 'take it or leave it' set of proposals on the way ahead. Beyond that lies 'Plan B', though what this may entail—continuation of direct rule, direct rule with a 'greener' tinge or even a new assembly election—is unclear. The first option, maintaining the *status quo*, while not uncontroversial is unlikely to prove convulsive, at least as far as unionists are concerned (as successive Northern Ireland Life and Times Surveys have shown). But the nascent MLAs may have to tighten their belts as Christmas approaches, as in the event of continuing deadlock their salaries will be reduced further or removed. For some, though, this will be a financial blow that can be weathered: among the MLAs there are 13 MPs, <sup>30</sup> while more than half are also district councillors.

Even in the best of all possible worlds in which some new accommodation was reached, the facts that 44 MLAs in waiting (41 per cent of the total) are new to the role and that staff in the assembly secretariat have been reduced over the past two years would mean a slow start to its renewed operations. And there would no obvious candidate among the MLAs for the role of speaker—save, perhaps, for Jim Wilson (UUP), the only deputy speaker to have survived from the first assembly. Agreeing a successor to Lord Alderdice (Alliance) would not be easy.

#### 2.4 They haven't gone away

The IMC's second report<sup>31</sup> on paramilitary activities (and third overall), published on November 4<sup>th</sup>, suggested that the proverbial Northern Ireland logjam was likely to remain intact. The generally dispiriting document catalogued paramilitary and criminal activities by republican and loyalist organisations over the preceding six months. While acknowledging that some had 'scaled back the intensity of their activity, none has materially wound down their capacity to commit violent or other crime'.<sup>32</sup> Noting that murder, shootings and assaults had fallen over the period, it concluded that '[they] remain at a disturbingly high level' while 'groups from both sides remain deeply engaged in serious organised crime'. In the same vein, it drew the depressing conclusion: 'Criminal activity by paramilitary groups poses a significant continuing threat which the suspension of politically motivated activity will not of itself bring to an end. A number of recent incidents give us cause to fear an increase.'<sup>33</sup>

Unionists, of course, focused on the section of the report summarising findings in relation to the Provisional IRA and found much to justify their refusal to contemplate entering government in partnership with SF. Though indicating that the organisation had committed no murders and had 'engaged in a lower level of violence than in the preceding period, committing fewer paramilitary shootings and assaults', the report concluded that it showed 'no signs of winding down its capability', while continuing to recruit (albeit 'in small numbers') and 'to gather intelligence'. While the commissioners found 'no evidence of activity that might presage a return to a paramilitary campaign', they concluded that there was 'no fundamental change in the capacity of the organisation or its maintenance of a state of preparedness'.<sup>34</sup>

The IMC report once more highlighted that most paramilitary violence now stemmed from 'loyalist' organisations. The role of loyalism in politics has been in decline virtually since the first assembly election in 1998. The failure of the Ulster Defence Association's political wing (the now disbanded Ulster Democratic Party), to have any of its candidates returned, spasmodic bouts of internecine warfare among sundry paramilitary organisations, their entrenched involvement in organised criminal activities and the proscription of the UDA by the Northern Ireland secretary have left its warring and divided ranks in the margins of negotiations. While the representative

arm of the smaller UVF, the PUP, managed to hold one of its two assembly seats at the November 2003 election, the political clout of loyalism has massively diminished.

The fact that it lacks any semblance of political organisation following the break-up of the 'Combined Loyalist Military Command' has compounded its marginal status, albeit it is in the interests of all that some means be found of rehabilitating its contribution to social and political stability. In mid-October it emerged that contacts between the UDA and the Northern Ireland Office had taken place, preparatory to a meeting between its 'leadership' and the secretary of state, Mr Murphy—a path previously trodden by his predecessors Mo Mowlam and John Reid. But the Ulster Political Research Group, which provides 'political analysis' for the UDA, indicated in a series of statements that a major act (or acts) of IRA decommissioning would be insufficient to prompt reciprocal moves by its paramilitary arm.

One of the UPRG's spokespersons, Tommy Kirkham, insisted that while full decommissioning by the IRA was a necessary step, more was required before the UDA would be prepared to follow in its path: 'We want the IRA to state publicly that incursions into Protestant areas would cease, we want them to say that they do not want to expand their community at the expense of Protestant areas.' Two days later, another UPRG leader, David Nicholl, underlined the UDA's position. Welcoming prospective talks with Mr Murphy, he indicated that there was no prospect of decommissioning by the UDA in the foreseeable future, that it was the 'last thing' it would address: 'If you are talking about loyalist decommissioning, we are years from that.'

Responding to the IMC report,<sup>37</sup> the secretary of state indicated he would consider anew the suspension of block financial assistance to SF and the PUP. The prospect that this suspension will be extended is very real. No matter what straws in the wind there may be, and no matter how inventive the participants are prepared to be in seeking to solve the current political difficulties, any assumption that devolution can get up and running this side of a general election appears wholly misplaced.

<sup>&</sup>lt;sup>1</sup> Northern Ireland Office press release, September 18th 2004

<sup>&</sup>lt;sup>2</sup> UUP press release, September 16th 2004 (the suggested IRA statement is included)

<sup>&</sup>lt;sup>3</sup> UUP press release, September 24th 2004

<sup>&</sup>lt;sup>4</sup> Mitchell Reiss, the envoy of the US president, George Bush, also attended.

<sup>&</sup>lt;sup>5</sup> Alliance did produce a comprehensive set of proposals for the review earlier in the year, many of which chimed with the DUP's concerns (see February 2004 report). After Leeds Castle, its leader, David Ford, reiterated his support for the DUP's agenda, insisting that it did not constitute a threat to the integrity of the agreement, and dismissed the SDLP's charge that it did as 'disingenuous'. He stated (*News Letter*, October 20th 2004): 'The DUP has rightly pointed out many deficiencies within the Agreement ... the choice is whether we make sensible reforms to the Agreement or let it die.'

<sup>&</sup>lt;sup>6</sup> BBC News Online, September 21st 2004—available at <a href="http://news.bbc.co.uk/1/hi/northern\_ireland/3677716.stm">http://news.bbc.co.uk/1/hi/northern\_ireland/3677716.stm</a>

<sup>&</sup>lt;sup>7</sup> One straw in the wind of the readiness to normalise security in Northern Ireland was a remark by Gen Sir Mike Jackson, chief of the general staff (and a former senior officer in the region). He was reported as saying that the 'trigger' for 'security normalisation', *ie* of reduction of the army's presence as set out in the Joint Declaration, could come 'this side of Christmas' (*Belfast Telegraph* October 5th 2004).

<sup>&</sup>lt;sup>8</sup> Mr Blair made clear that the vexed issue of the 'on the runs', also included in the Joint Declaration, would not be on the agenda at Leeds Castle.

<sup>&</sup>lt;sup>9</sup> DUP press release, November 3rd 2004

<sup>&</sup>lt;sup>10</sup> Mr McGuinness said (UTV Online, October 11th 2004): 'We have to crack this by the end of the month: that's the reality we are facing. If we don't do that ... we will have arrived at a situation where the DUP are not prepared to accept the core principles of the Agreement.'

<sup>&</sup>lt;sup>11</sup> Mr Ahern succeeded Brian Cowen, who was moved to the finance portfolio in the cabinet reshuffle of September 29th 2004.

<sup>&</sup>lt;sup>12</sup> This is, in effect, a stance required of all constitutional parties in the republic, under whose 1937 constitution, framed by the former republican leader Eamon de Valera, only the Oireachtas (the parliament) can raise a legitimate army (§15(6)).

13 Irish Times, October 13th 2004 (emphasis added)

<sup>&</sup>lt;sup>14</sup> Irish Times, October 18th 2004

<sup>&</sup>lt;sup>15</sup> RTE News Online, November 2nd 2004

<sup>&</sup>lt;sup>16</sup> Irish Times, November 9th 2004

<sup>&</sup>lt;sup>17</sup> Irish News, October 15th 2004

<sup>&</sup>lt;sup>18</sup> DUP press release, October 5th 2004

<sup>&</sup>lt;sup>20</sup> HC Debs, col 1415, 27 October 2004

<sup>&</sup>lt;sup>21</sup> *ibid*, col 1419

<sup>&</sup>lt;sup>22</sup> Belfast Telegraph, October 15th 2004

<sup>&</sup>lt;sup>23</sup> SDLP Protecting the Agreement, Offering Progress, available at www.sdlp.ie

<sup>&</sup>lt;sup>24</sup> The SDLP also criticised the UK government's decision to hold the inquiry into the murder of the solicitor Pat Finucane, signalled in the Joint Declaration, in part in private. Along with the Finucane family, Dublin and SF it wants the inquiry held in public, albeit some witnesses might choose to give evidence via video link or behind screens.

<sup>&</sup>lt;sup>25</sup> UUP press release, October 15th 2004

<sup>&</sup>lt;sup>26</sup> News Letter, October 15th 2004. Should devolution be restored, Sir Reg would be unlikely to be one of the UUP's two nominees to the executive. His star has fallen within the party following revelations in the authorised biography of the now DUP MP Jeffrey Donaldson, Not By Might: A Journey in Faith and Politics. It identified Sir Reg as one of a number of UUP members engaged in a secret plot to oust Mr Trimble in September 2003 and as the favoured candidate to replace the UUP leader.

<sup>&</sup>lt;sup>27</sup> UUP press release, October 21st 2004

<sup>&</sup>lt;sup>28</sup> UUP press release October 27th 2004 (an extract from a speech in Leeds)

<sup>&</sup>lt;sup>29</sup> See, for example, Liam Clarke, 'SDLP and UUP threaten to boycott deal', *Sunday Times*, October 3rd 2004.

<sup>&</sup>lt;sup>30</sup> All six of the DUP's MPs are also MLAs, as are all four of SF's MPs, two UUP MPs and one of the SDLP's three MPs.

available at www.nio.gov.uk/3rd report of the imc.pdf

<sup>&</sup>lt;sup>32</sup> *ibid*, p44

<sup>&</sup>lt;sup>33</sup> *ibid*, p44 & 45

<sup>&</sup>lt;sup>34</sup> *ibid*, p13

<sup>&</sup>lt;sup>35</sup> UTV News Online, October 11th 2004—this being a reference to differential population trends, particularly in Belfast, which have left some 'Protestant' areas with vacant housing while 'Catholic' areas have faced housing stress.

<sup>&</sup>lt;sup>36</sup> BBC News Online, October 13th 2004

<sup>&</sup>lt;sup>37</sup> NIO press release, November 4th 2004

#### 3. 'Devolved' government Robin Wilson

The devolved institutions may be in prolonged suspension, but they are still on life support. In October, the *Belfast Telegraph* revealed that special advisers who had been political appointees of government ministers were still being paid by the public purse two years after the latter had lost their jobs. The four main parties had all benefited from the arrangements, which the paper reported had cost almost £400,000 in the past year and which Alliance described as 'a gross abuse'. The information had been extracted from the junior NIO minister John Spellar, via a question from the Liberal Democrats' Northern Ireland spokesperson, Lembit Opik. Mr Spellar suggested, in what one assumes was a mandarin-drafted phrase, that the advisers were 'working for a smooth return to devolved government'.<sup>1</sup>

If such stories have helped make ordinary citizens sceptical about devolution, NGOs continued to locate themselves firmly in the pro-devolution camp. The head of the Royal College of Nursing, Beverley Malone, was in Belfast in October for the organisation's annual conference. Dr Malone told the *Belfast Telegraph*: 'Devolution would be good for Northern Ireland and a great opportunity for nurses to shape policy. It would also be good for patients.'<sup>2</sup>

Similarly, Children in Northern Ireland, an umbrella body for voluntary childcare organisations in the region, protested strongly during the quarter about the direct rulers' *Draft Priorities and Budget 2005-08* document (see finance section)—the *ersatz* Programme for Government of the devolved administration. One of the innovations of the first PfG, though subsequently attenuated, was five potentially cross-departmental Executive Programme Funds. Of these, the Children's Fund survived, and was uniquely a vehicle for statutory-voluntary co-operation too. But CiNI complained that it was absent from the draft budget, and a briefing document e-mailed to interested parties from the organisation complained that while the devolved executive's commitment to children and young people had been 'widely evidenced', there was now a danger that they would 'fall off the Government's radar'.

CiNI suggested that the government's behaviour was out of kilter with *Investing Together*, the report of the Task Force on Resourcing the Voluntary and Community Sector, also published in October.<sup>3</sup> Established in February 2003, the Task Force brought together senior statutory and voluntary-sector representatives. The impetus behind it was the prospective decline of support for voluntary organisations from European Union funds.

The Task Force recommended, *inter alia*, that government adopt 'a ten-year planning framework' for funding the sector on a more secure footing. Following recent UK government guidance, this would include a willingness to contribute towards the core costs of organisations contracted to deliver public services. Support for voluntary organisations should henceforth be evaluated not on 'process' criteria but in terms of outcomes achieved, assessed in terms of 'social capital'.

The umbrella organisation for the voluntary sector, the Northern Ireland Council for Voluntary Action, had broader criticisms of the *Draft Priorities and Budget*. A briefing paper from NICVA noted that the five priorities identified by the devolved executive from the outset as defining its Programme for Government—to which the direct-rule administration had continued to pay some obeisance—had finally been ditched in favour of the (distinctly New Labourish) goals of 'economic competitiveness', 'building equality and community cohesion' and 'better public services'. It complained that 'perhaps inevitable [*sic*] under Direct Rule, the overall vision of what kind of Northern Ireland we are aiming for is slipping and this year's key themes are a step backwards in our view from those in previous years'.

Pressure, meanwhile, was sustained during the quarter for an independent environment authority for Northern Ireland (see May 2004 report). The same nine 'green' organisations that had commissioned Prof Richard Macrory's report on environmental governance in the region—which had called for such an innovation—tested wider opinion through a consultation. Analysis of the responses by Liz Fawcett showed strong backing for the Macrory proposals. The *Belfast Telegraph* reported this as a 'scathing vote of no confidence' in the Department of Environment's 'track record on tackling pollution'.

<sup>1</sup> Belfast Telegraph, October 18th 2004

<sup>&</sup>lt;sup>2</sup> Belfast Telegraph, October 21st 2004

<sup>&</sup>lt;sup>3</sup> available at <a href="https://www.taskforcevcsni.gov.uk/PDF/investing%20together.pdf">www.taskforcevcsni.gov.uk/PDF/investing%20together.pdf</a>

<sup>&</sup>lt;sup>4</sup> available at <u>www.epconsultni.org.uk/</u>

<sup>&</sup>lt;sup>5</sup> Belfast Telegraph, October 19th 2004

#### 4. The assembly Rick Wilford and Robin Wilson

Since the suspension of the assembly in October 2002, a total of 45 orders in council have passed through the Commons (together with around 1,000 statutory instruments)—18 of them thus far in 2004. Each will have received only cursory scrutiny.

There are a further 39 orders in the forward legislative programme for 2004-06. These range from the relatively uncontroversial (regulation of taxis and modernisation of industrial and provident societies), to the highly controversial, *eg* the single equality bill and reform of the rating system. Given that Westminster is unlikely to change the procedures for dealing with this legislation, it will continue to suffer the bluntness of the order-in-council procedure—unless, of course, the political logiam can be broken.

As the third year of suspension opened, two UUP former ministers—perhaps particularly sensitive to the views of middle-class Protestants—were scathing about how long the trappings of the assembly could be preserved. Michael McGimpsey, former minister of culture, arts and leisure, told BBC Radio Ulster:

It's unsustainable, the shambles that we have up there with all those MLAs floating about, drawing big salaries, not doing the jobs they are being paid to do. All the infrastructure, including that huge building, is just sitting there. We are now two years down the line from suspension. Anybody who imagines we can run like this for a third year is frankly not living in the real world.<sup>1</sup>

His colleague Sir Reg Empey concurred. The former minister for enterprise, trade and investment said 'mothballing Stormont' would have to be seriously considered: 'With the people facing a tidal wave of increased charges for rates and water, and with very little improvement in hospital waiting lists, I do not see how the democratic and financial costs of Stormont can continue to be borne much longer.'<sup>2</sup>

Yet the 'democratic defict' represented by direct rule continued to be bemoaned at Westminster. The chair of the Public Accounts Committee, Edward Leigh, speaking after hearings at Stormont on November 2<sup>nd</sup>, said there was a 'ludicrous' shortfall in scrutiny of public expenditure. Mr Leigh said the devolved PAC gad been 'very hard hitting' and it was imperative that the assembly be once more 'up and running'.<sup>3</sup>

<sup>3</sup> Belfast Telegraph, November 3rd 2004

<sup>&</sup>lt;sup>1</sup> Observer (Irish edition), October 3rd 2004

<sup>&</sup>lt;sup>2</sup> News Letter, October 29th 2004

#### 5. The media Greg McLaughlin

#### **5.1 Introduction**

The media report this quarter focuses on the anti-climactic talks at Leeds Castle in September, the role the region's media might play in a popular campaign against water charges and indicators of an increasingly competitive environment for its newspapers—local and regional.

#### **5.2 Leeds Castle**

Mindful, probably, of the disappointments of past negotiations to revive devolution, the political parties to the Leeds Castle talks had an interest in playing down the chances of a breakthrough, despite all attempts by London and Dublin to talk one up—as in 'Hopes rise of a deal' or 'The final push—premiers battle to bridge the gaps' (*Belfast Telegraph*). The DUP was insisting that individual ministers in the executive should have less power; instead, decisions should be made collectively by the whole executive. Also, it wanted to change the system of electing the first and deputy first ministers (see 'peace process' section).

Much to the bewilderment of the prime minister, the party stuck to its line in spite of the prospect Mr Blair held out to it of total IRA decommissioning if a deal could be struck to revive devolved government: 'Power sharing becomes key issue of stalled peace talks' (*Irish News*); 'Deal "scuppered by DUP" (*Belfast Telegraph*). The prime minister's predicament was highlighted by the *News Letter*'s political correspondent ('DUP demands changes to deal') when he wrote: 'Having embarked on a risky, high stakes, now-or-never approach to Leeds Castle, his gamble fell just short ... Mr Blair, who had been adamant that he could not appear before the media again and say "we have made progress but there is more to do", once more did just that.'<sup>2</sup>

The *Irish Independent* columnist Gene McKenna wrote in the *Belfast Telegraph* ('Ailing Doctor No still can't quite stretch to saying Yes')<sup>3</sup> that Mr Paisley and the DUP faced the new responsibility of being the dominant voice of unionism and learning the necessity of compromise, rather than stubbornly saying no to everything. But Brian Feeney argued in the *Irish News* ('Nowhere left to go for trapped DUP')<sup>4</sup> that, as usual, the government and the media had allowed the DUP to get away with an intransigent stance on the agreement: 'Look at it another way. For the British government to refuse to move on the whole package until the DUP bigots see the light amounts to giving the DUP bigots a veto on progress. The media, meanwhile, fall in line with the official agenda, and lend legitimacy to the DUP's stance with their use of official euphemisms such as "technical matters", "politics", "institutional issues" and "accountability".'

#### **5.3 Public finance**

The failure of the parties to find a way out of the stalemate and get back to the job of governing may prove very expensive if central government has its way with its reforms to the system of public finance. The official line is that Northern Ireland's ratepayers have been heavily subsidised and that they will have to start paying at comparable levels to other regions in the UK—hence a projected *per annum* rise of 9 per cent in regional rates between 2003-04 and 2007-08.

There is, however, a counter-argument to this on which most political parties in the region agree: Northern Ireland is not comparable to other UK regions because of its history of conflict and economic underdevelopment. Its loss of European 'objective-one' status has also had a serious impact on the availability of special assistance.

A leaflet distributed by government to all households outlined the changes in how regional, and district, rates will be calculated—based on market rather than rental value of property—while another heralded the introduction of separate water charges. The public information campaign sent a clear and unwelcome message that has the potential of uniting Northern Ireland's political class as never before. While the DUP and SF may never share a public platform on any cause, no matter how common, they are nonetheless speaking the same language about water charges and rates reform.

Francie Molloy (SF) argued that the increase in rates would count as a 'stealth tax', while Peter Weir (DUP) warned that the proposed new system of calculating and charging rates would 'inevitably pave the way for a massive increase in local taxation' ('Rates reform rapped as "stealth tax to pay more'", *Belfast Telegraph*<sup>5</sup>). If the growing controversy develops critical mass as a popular campaign, then the regional media may play a crucial role in mobilising public opinion—or they may just present the reforms as controversial but part of the inevitable 'peace deficit'.

The introduction of water charges is by far the more controversial issue. A recent report from the General Consumer Council for Northern Ireland, a non-departmental agency of the Department of Enterprise, Trade and Investment, expressed reservations about the way in which the charges will be calculated—as with the rates, on the basis of the market value of property, rather than individual consumption. The report urged the government to look at other options, such as metering, and to consider issues of fairness and ability to pay (*UTV Live*; 6 'Politicians welcome consumer watchdog water tax rethink call', *Irish News*<sup>7</sup>).

But all good campaigns need action, not just soundbites and worthy reports. Moyle District Council on the north coast led the way when it proposed a motion to open books of protest against the charges in Ballycastle, Cushendall and Bushmills. The motion was passed unanimously ('Council takes first step in water rates protest', *News Letter*<sup>8</sup>).

Campaigners will also be heartened by the apparent weakness of the government position on water charges. The BBC Northern Ireland current affairs programme *Spotlight*<sup>9</sup> investigated the controversial proposals and subjected the minister responsible, John Spellar, to close and uncomfortable questioning. For example, why had there been such a shortfall in revenue from regional and district rates that it was now necessary to charge separately for water?

The minister's replies were less than convincing and he repeatedly contradicted statements by his predecessor Lord Dubs, who had told BBC NI in 1998 that the rates struck for the region should cover water charges with only a small *per annum* increase to the bill. Mr Spellar was a minister who failed to get his story right and watching him squirm and blunder on television must have given viewers pause for thought about the failure of their own MLAs to agree a deal to restore democracy and regional accountability.

#### **5.4 Hard-pressed**

In Northern Ireland's second city, a 'war of the editions' between the *Derry Journal* and the *Derry News* took a new twist in September. A leading local commentator (and vice-chair of the Policing Board), Denis Bradley, used his regular column in the *Derry Journal* to appeal to its editor, Pat McArt, to 'put an end to the unseemly and embarrassing newspaper war ... It has got way out of hand ...'.<sup>10</sup>

Since the *Derry News* was launched in 2001, the *Derry Journal* has tried to match its every marketing ploy. The *Journal* had for decades published on Tuesdays and Fridays but when the *Derry News* published an edition on Mondays the *Journal* followed suit with its own *Derry on Monday*, using an almost identical tabloid format. And after the *News* published a Sunday paper, the *Derry News on Sunday*, in September 2003, the Derry Journal group followed suit this year with the *Sunday Journal*.

Mr Bradley argued that the standard of journalism in both papers had suffered as a result. He found it hard to escape the conclusion that the war had gone beyond mere competition in a tight market. It seemed that the *Journal* (circulation approximately 26,000) was bent on the extinction of its smaller and weaker local rival (circulation about 5,000). It is to Mr McArt's credit that he published such a damning open letter but he included his own brief response: 'Dear Denis, just for the record, Tuesday's Journal still comes out on Tuesday and Friday's Journal still comes out on Friday.'

The Derry newspaper war appears an extreme symptom of an increasingly competitive press environment in Northern Ireland. All three of the Belfast dailies, the *Irish News* (moderate nationalist), *News Letter* (big-u unionist) and *Belfast Telegraph* (liberal unionist), have suffered losses in audited net sales in the past six months—a fact they try to disguise for PR reasons by focusing on the much less reliable and economically meaningless measurement of readership.

The *Irish News* and *Belfast Telegraph* have recently announced their intention to print in the compact tabloid format next year, as part of a marketing drive to attract new readers. The *Irish News* has published in the European tabloid format since 2000 but the move to the compact format evidently follows a general trend in the British and Irish broadsheet market. Interpress, an associated company of the *Irish News*, is building a new printing plant at Duncrue, Belfast, where it will use the Man Rowland press to produce a highly professional look and format.<sup>11</sup>

Insiders at the *Belfast Telegraph* indicate that a morning edition is being considered—the paper currently appears at lunchtime and in the late afternoon. Meanwhile, we still await the launch of the new daily title from the (big-n nationalist) *Andersonstown News* Group, which has experienced difficulties in attracting sufficient investment and advertising (see August 2004 report).

<sup>1</sup> September 17th and 18th 2004

<sup>6</sup> November 5th 2004

<sup>&</sup>lt;sup>2</sup> all September 20th 2004

<sup>&</sup>lt;sup>3</sup> September 20th 2004

<sup>&</sup>lt;sup>4</sup> September 22nd 2004

<sup>&</sup>lt;sup>5</sup> July 21st 2004

<sup>&</sup>lt;sup>7</sup> November 6th 2004

<sup>&</sup>lt;sup>8</sup> October 27th 2004

<sup>&</sup>lt;sup>9</sup> October 26th 2004

<sup>&</sup>lt;sup>10</sup> September 27th 2004

<sup>&</sup>lt;sup>11</sup> Irish News, September 8th and 9th 2004

#### 6. Public attitudes and identity Lizanne Dowds

#### 6.1 Introduction

No surveys of public opinion towards devolution in Northern Ireland were carried out since the last report. This one looks back to the survey carried out following the November 2003 assembly election<sup>1</sup> and reflects on the attitudes behind the voting patterns that emerged. In terms of public support for devolution, the results were not encouraging.

That the 2003 election indicated a public more sectarian than ever was the inevitable conclusion drawn by many in November of last year. Yet successive survey results have failed to back this up conclusively. On the one hand, polls indicate a public jaded about the political situation and uneasy (to a greater or lesser extent) with the terms of the Belfast agreement; on the other hand, there are clear indications of increasing optimism about community relations and a general perception that equality of opportunity now exists among Protestants and Catholics.

Why then did the public retreat to the historically more 'extreme' parties at the time of the election? Have people in Northern Ireland really become more extreme in their political attitudes? Or was a vote for the DUP or SF simply designed to give those parties a strong bargaining hand in the negotiations still to come? Are the parties themselves now less extreme, or perceived as such—and thus managing to capture more of the moderate voters who would previously have voted SDLP or UUP? Alternatively, have more moderate voters disengaged from the process and stopped voting altogether? These are only some of the questions that have occupied academics and pundits since the election and, while it is impossible to look at these issues in depth here, there are some interesting findings.

#### **6.2 Post-election survey**

The post-election survey of 2003 included a number of questions that queried whether respondents thought certain parties had become more 'moderate'. In particular, respondents were asked whether they agreed or disagreed with the following two statements:

In the course of the peace process, Sinn Féin has changed as a party and has become more willing to compromise with unionists.

In the course of the last Assembly, the DUP changed as a party and became more willing to compromise with nationalists.

Looking at those factors that are related to how respondents voted, a logistic regression analysis suggests that public attitudes on these questions have some

importance. Taking SF first of all (Table 1), the model suggests that attitudes towards reform of the police (that it hadn't gone far enough), strength of nationalist identity and the extent to which respondents believed SF had changed were all significant predictors of whether Catholics voted for the party in 2003. Attitudes to the agreement, sympathy with the reasons for republican violence and social class did not emerge as significant predictors.

It is important to remember that a significant relationship does not imply causality: we do not know if some people voted SF because they believed it had changed or whether people who voted SF were just more likely to say that it had changed. But the results suggest this is an important factor independent of the others in the model.

Table 1: Logistic model of voting for Sinn Féin among Catholic voters in 2003

	В	SE	Sig
SF has changed and is more willing to compromise with unionists	5728**	.2193	.0090
Sympathy with reasons for republican violence	.0478	.3244	.8828
Attitudes to agreement	3397	.3171	.2840
Strength of nationalist/unionist identity	5458**	.1760	.0019
Social class	5435	.3586	.1296
Reform of the police has not gone far enough	1.0405**	.3015	.0006

Predicted 67.46%

Chi-square 43.34

Pseudo R<sup>2</sup> .233

A similar result can be found when modelling how Protestants voted in the election. In this case attitude to the agreement was the strongest predictor of whether people voted DUP, but attitudes towards reform of the police (that it had gone too far), a lack of interest in politics, the extent to which respondents believed the DUP had changed and strength of unionist identity were also important predictors. Social class and sympathy with reasons for loyalist violence were not significant factors.

Table 2: Logistic model of voting for DUP among Protestant voters in 2003

	В	SE	Sig
DUP has changed and is more willing to compromise with nationalists	3432**	.1259	.0064
Sympathy with reasons for Loyalist violence	.2622	.3155	.4060
Attitudes to agreement	.7926**	.1527	.0000
Strength of nationalist/unionist identity	3912*	.1729	.0237
Social class	1263	.2779	.6496
Interest in politics	.4077**	.1389	.0033
Reform of the police has gone too far	.7480**	.2666	.0050

Predicted 67.56 Chi-square 77.71 Pseudo R<sup>2</sup> .281

For those interested in the 'centre ground' in Northern Ireland politics, these results raise some interesting questions about public perceptions of the DUP and SF. But it is also revealing to look at these perceptions across all respondents to the survey—not just those who voted.

The results indicate that, as far as SF is concerned, a very large majority of Catholics think the party has indeed changed and become more willing to compromise with unionists. Fairly substantial numbers of Protestants (35 per cent) think so as well. For the DUP, again 35 per cent of Protestants feel the party has changed, but only about a fifth of Catholics share this view. There is no doubt that SF is perceived by Catholics as having become a more moderate party. The cross-community jury is out for the DUP but a substantial minority of Protestants believe the DUP too has become more moderate.

Table 3: Per cent who feel that DUP and SF have become more moderate parties (by religion)

	Protestant	Catholic	All
% who feel that Sinn Féin has changed and become more willing to compromise with unionists	35	79	53
% who feel that the DUP has changed and become more willing to compromise with nationalists	35	21	29

But there are subtle variations across sub-groups, as Tables 4 and 5 show. Those Catholics who didn't vote held less strongly positive views about change within SF—perhaps an indication that more sceptical 'moderates' did indeed withhold their vote altogether in the election. Similarly for Protestants: those who did not turn out were the least likely to feel that the DUP had changed as a party.

**Table 4:** In the course of the peace process, Sinn Fein has changed as a party and has become more willing to compromise with unionists.

	Catholics		
	Didn't vote	Voted SDLP	Voted SF
% strongly agree	13	14	31
% agree	51	72	60

**Table 5:** In the course of the last Assembly, the DUP changed as a party and became more willing to compromise with nationalists.

	Protestants		
	Didn't vote	Voted UUP	Voted DUP
% strongly agree	0	0	1
% agree	25	36	41

In terms of public attitudes towards devolution, it is clearly important to try to untangle what drove the results of the 2003 election. Given that a lower registration rate and a lower turnout meant 15 per cent fewer people voted than in the assembly election of 1998, the reasons for both of these are critical. Was this part of the general disengagement from politics, occurring in other parts of the UK and more widely, or did factors specific to Northern Ireland contribute? Are moderate voters disengaging from politics or are they turning to what are now seen as more moderate parties—or both?

The Electoral Commission's post-election research indicated that lack of political progress was a factor contributing to a disengagement from politics. The results cited here suggest that, for those who did vote DUP or SF, the perception that the party had changed is of some significance, and this should be investigated further. In the post-election negotiations, the question is whether the positions taken up by those parties reflected the wishes of their wider electorate—or whether there is a mismatch between the aspirations of voters and the subsequent choices offered to them by parties and political leaders.

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<sup>&</sup>lt;sup>1</sup> The 2003 Northern Ireland Election survey was funded by the Economic and Social Research Council and was carried out by Lizanne Dowds, Geoffrey Evans, Bernadette Hayes and Paul Mitchell.

#### 7. Intergovernmental relations Robin Wilson

Aside from the continuing attempts by London and Dublin to kick-start the stalled devolution vehicle in Northern Ireland, the most notable cross-jurisdictional development this quarter was the announcement by the Scottish Executive in November that it would follow the republic in introducing a smoking ban in public places. The first minister, Jack McConnell, had recently travelled to Dublin and, interviewed at the time on the state broadcaster, RTE, had clearly been impressed by the experience.

The success of the measure in the republic provoked wider interest in October at a meeting of the British-Irish Inter-parliamentary Body in Chepstow. Indeed, participants showed rather more interest in the smoking ban in the south than the talks about the north—from which no white smoke had emerged—at Leeds Castle. BBC Wales ran an item about the former but ignored the BIIB debate about the latter. 1

In turn, the Scottish initiative raised pressure on the Department of Health, Social Services and Public Safety in Northern Ireland, already mounting since the ban in the republic, to follow suit. A range of professional and voluntary organisations, with the BMA to the fore, have been demanding action.<sup>2</sup>

Meanwhile, at the civic-society level, during the quarter a meeting took place in Dublin of Universities UK (which represents more than 120 universities) and Universities Ireland (there are nine on the island). The meeting agreed, *inter alia*, that the two bodies should explore joint funding applications to the two governments as part of the 'east-west' dimension of the agreement.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Sunday Tribune, October 24<sup>th</sup> 2004

<sup>&</sup>lt;sup>2</sup> Irish News, November 11th 2004

<sup>&</sup>lt;sup>3</sup> Irish Times, September 27th 2004

#### 8. Relations with the EU Elizabeth Meehan

#### 8.1 Introduction

During this quarter, there were some celebratory occasions to mark, for example, the selection of projects under the EQUAL programme and the initiation of projects funded under 'Peace 2' (the current iteration of the EU Special Support Programme for Peace and Reconciliation in Northern Ireland and six counties across the border). But there was also disquiet that £900,000 of Peace 2 money had seemingly been awarded, *via* Invest NI—the public agency responsible for economic development in the region—to a company involved in the development of missiles. The quarter also witnessed a consultation exercise over Northern Ireland's EU strategy.

#### 8.2 Swords into swords?

It was difficult to obtain confirmation of the peace-money-for-missiles story but it was alleged that the award had been made to Thales UK Air Defence to provide it with an extended and enhanced System Integration and Test Centre. Seemingly, the latter will be equipped with additional facilities and equipment to provide supporting technologies to demonstrate the concepts, performance and feasibility of a wide range of platform-based tracking and missile-guidance systems.

News of this provoked angry reactions from the whole political spectrum, even from those who understand or sympathise with the idea that Peace 2 should have some focus on economic regeneration and, hence, job creation. The enterprise is situated in east Belfast where applications from 'many groups' for projects that were 'legitimate' in their aim to make 'a genuine contribution to peace' had been turned down, it was said. In the event that the story is correct, one of the critics has called for a public inquiry into the decision.<sup>2</sup>

#### 8.3 NI in the EU

The OFMDFM consultation document, *Taking Our Place in Europe: Northern Ireland's European Strategy 2004-08* (see August 2004 report), launched over the summer was discussed at Queen's University Belfast at a meeting of European Liaison—a forum for groups and individuals with an interest in EU policies and programmes as they affect the region. Much concern was expressed that the document was too bland.<sup>3</sup>

While recognising that OFMDFM was hampered by uncertainty over the prospect of the restoration of devolved institutions, the meeting felt greater vision was needed. The document needed to be clearer about where Northern Ireland was and more

concrete as to strategy and objectives. Discussion ranged over the need to be explicit about:

- continuing problems,
- the benefits and opportunities of being a region of the EU,
- how Northern Ireland should relate to the EU through the UK government,
- how the Joint Ministerial Committee system might be demystified, and
- the potential roles of the North/South Ministerial Council and the British-Irish Council.

Participants also thought that the document should refer to the impact that devolution had had, or could have, on Northern Ireland's place in the EU (noting the Scottish system of official and civic representation in Brussels) and to its location along a land border with another state in the euro-zone and a different tax régime. Discussion further focused on cultural issues—for example, the need for greater familiarity with the EU among civil servants (secondments to Brussels), language training at all levels of education, 'twinning' of schools and the content of citizenship education.

The closing date for responses to the document was about the same time (the end of September) as the talks at Leeds Castle (see 'peace process' section). The Dublinbased Sunday Tribune marked the latter occasion with a special supplement on 'Peace and Prosperity', which closely linked a deal on Northern Ireland with north-south cooperation and EU programmes.<sup>4</sup> Naturally, its references to the EU were on what had been achieved to date, while a strategy document should be forward-looking if more than aspirational. The concreteness of 'Peace and Prosperity' nevertheless contrasted with the absence of strategic goals and targets in the consultation document.

<sup>&</sup>lt;sup>1</sup> Executive news releases, October 7th and 27th 2004

<sup>&</sup>lt;sup>2</sup> personal communication to the author from several sources

<sup>&</sup>lt;sup>3</sup> The summary of the discussion is taken from a personal communication to the author from Catherine Madden and David Phinnemore of European Liaison.

<sup>&</sup>lt;sup>4</sup> September 26<sup>th</sup> 2004

#### 9. Relations with local government Rick Wilford and Robin Wilson

The reform of public administration, in train since 2002, surfaced anew during the quarter when a paper setting out options for the new administrative landscape was leaked to the BBC. There is all-party consensus that the number of public and representative bodies in Northern Ireland does need to be reduced and made more efficient, albeit the DUP (and the rump of the UK Unionist Party) wish that the devolved institutions should be included in the reform process.

The paper indicated a preference for reducing the number of district councils from 26 to seven, with one regional education board instead of the existing five and seven new health boards (there are currently four) to be co-terminous with the new councils. The ensuing debate tended to focus on numbers rather than functions, with many district councillors seeking to defend their boundaries.

The paper ended what had perhaps been a 'phoney truce' between central and local government, where previously little resistance had been evident to the review. The Northern Ireland Local Government Association met two NIO ministers, Mr Pearson and Angela Smith, as well as the review team, in the wake of the leak The councillors' umbrella body, chaired by Francie Molloy of SF, protested about the scale of the rationalisation as well as the inadequacy, as NILGA saw it, of the associated consultation.<sup>2</sup>

On this issue, there was cross-party agreement. But traditional sectarian tensions surfaced nonetheless: Ken Robinson, a UUP MLA for the predominantly Protestant constituency of South Antrim, warned that there should be no 'politically correct tinkering' to manufacture power-sharing 'by stealth'. This was a reference to the issue of how a smaller number of councils would be configured, with Mr Robinson talking—with no sense of historical irony—of 'gerrymandering'.

In fact, there is little evidence from the public deliberations of the review so far that the issue of how any enhanced powers larger authorities would enjoy would be shared has been adequately addressed. Just how major an issue this is was highlighted by the effort by the SDLP during the quarter to challenge the DUP's newly-developed power-sharing rhetoric. The party proposed a motion at Castlereagh Borough Council, fiefdom of the DUP deputy leader, Mr Robinson, advocating a power-sharing system there. The motion was defeated by the unionist majority, with Mr Robinson claiming that Castlereagh did not need power-sharing as it was not a divided borough.

<sup>&</sup>lt;sup>1</sup> BBC News Online, October 5th 2004

<sup>&</sup>lt;sup>2</sup> Belfast Telegraph, October 7th 2004

<sup>&</sup>lt;sup>3</sup> Belfast Telegraph, October 9th 2004

#### 10. Finance Rick Wilford and Robin Wilson

#### 10.1 Water charges

The argument over the introduction of water charges continued during the quarter—stimulated, perhaps inevitably, by a leak. In late August, a letter sent by the Northern Ireland secretary, Mr Murphy, to the chief secretary to the Treasury, Paul Boateng, on July 8<sup>th</sup> was revealed, indicating strong pressure by the latter (the sometime firebrand left-wing lawyer) on the former to move towards privatisation of the service.

In October 2003, the regional-development minister, Mr Spellar, had issued a statement 'Spellar Rules Out Water Privatisation', amid growing public, and in particular trade-union, concern about the government's intentions. But the leaked letter showed the two cabinet ministers had agreed that privatisation 'must not be ruled out in the medium term'.<sup>1</sup>

This appears to have been one factor in the adoption by government of a government-company structure—like the ill-fated BNFL or Royal Mail—for the service, rather than the intuitively more appealing not-for-profit independent structure essayed in Wales. The former permanent secretary of the old Department of Environment in Northern Ireland, whose responsibility water had been, had been a strong advocate of the Glas Cymru model, bringing its Northern Ireland-born director to a conference in Belfast attended by senior officials. The 'GoCo' would be more amenable to the introduction of private shareholders.<sup>2</sup>

The *Belfast Telegraph* published the leaked correspondence and its editorial linked the issue to the absence of devolution. The paper pointed out that the assembly had 'set its face against privatisation' and the episode, it claimed, strengthened 'the case for an early return to devolution'.<sup>3</sup> Amid cross-party uproar, one SDLP MLA said the direct-rule administration had 'no moral authority' to take such major public-finance decisions.

On September 13<sup>th</sup>, Mr Spellar announced the basis on which household charges would be set, indicating that the estimated annual average charge would fall between £315 and £415, with a maximum of £750 and a minimum of around £150. Based on property values, the charges are to be phased in over two years, beginning in 2006-07, with householders paying one third in the first year and the remainder in the second.

The charges will apply to all properties, whether owner-occupied or rented. The less well off—those in receipt of housing benefit, rate rebates or the proposed new raterelief scheme—will be eligible for an annual 25 per cent discount, while those unable to meet the costs because of 'exceptional circumstances' will be assisted temporarily by a 'hardship relief scheme'. Mr Spellar also announced that, following the phased introduction of the charges, household metering would be introduced after a review of the options. 5

On the issue of charging, as against the governance arrangements, it was the parties, adopting instinctively oppositionalist stances, which were placed on the back foot. In the wake of the row about the leaked letter, Mr Murphy had warned on charges: 'Whether Northern Ireland had direct rule or devolved ministers they would have had to be addressed.' And on the morning after Mr Spellar's announcement, the former devolved finance minister Seán Farren, was repeatedly pressed on BBC Radio Ulster's flagship *Good Morning Ulster* programme as to whether the SDLP would support charges being introduced were devolution to be restored.

Mr Farren dodged the question, equally repeatedly focusing on the doubtful legitimacy of such a decision being taken under direct rule. But then he had got his fingers burned when as finance minister he had floated the idea of charges himself—only for such a 'tap tax' to be denounced in populist fashion across the party spectrum. Also on the programme was Seamus Close of Alliance. Challenged on the same point, he resorted to the claim that the revenue from charging could be found from the removal of the inefficiencies arising from sectarian duplication of services, thereby similarly dodging the issue of the poor 'fiscal effort' of Northern Ireland as a region.<sup>7</sup> In sharp contrast, the regional director of Friends of the Earth, John Woods, accepted the need for charges and focused instead on the distributional issues involved.<sup>8</sup>

These latter were also to the fore in a subsequent report from the General Consumer Council. This advocated greater assistance for low-income consumers and was widely welcomed.<sup>9</sup>

#### 10.2 Draft budget

In mid-October, the finance minister, Ian Pearson, unveiled the *Draft Priorities and Budget* for 2005-08. It indicated that by 2007-08 annual spending on public services will reach around £9 billion, a nominal rise of 36 per cent and a real increase of 20 per cent from 2002-03. He announced 1,000 new 'front-line' jobs in health and education, funded in large measure by a reduction of 2,300 civil servants by 2008, and the transfer of a further 2,600 staff to the new water service and the new agri-food and bio-sciences institute—a total reduction in the civil service of 15 per cent over the three years.

In addition, Mr Pearson announced the publication of an 'Economic Vision', <sup>11</sup> allied to an investment strategy which, together, forecast the needs of Northern Ireland over the next decade and aim to make the region 'one of the most competitive' within the UK and internationally. The investment strategy for the next ten years is being drawn up by the Strategic Investment Board and will be variously financed from conventional public programmes, public-private partnerships and borrowing under the Reinvestment and Reform Initiative.

To in part fund the borrowing, Mr Pearson also announced regional rate increases for 2005-06 of 9 per cent for domestic properties and 3.3 per cent for the non-domestic sector. Elsewhere, he confirmed that the priorities and spending plans determined by the secretary of state would not be binding on a restored devolved administration.<sup>12</sup>

There was further evidence during the quarter, on the expenditure side of the public accounts, of a steady tightening of the screw in Northern Ireland. In more 'troubled' times, spending overruns might have elicited a sympathetic official response. But as two of the region's five education boards, and a number of its hospital trusts, got into major financial difficulties, a tough stance was taken by the NIO. The education minister, Barry Gardiner, announced a statutory inquiry by the former comptroller and auditor general into financial controls at the two boards—his statement couched in a decidedly schoolmasterly tone. <sup>13</sup> And the permanent secretary of the Department of Health, Social Services and Public Safety said of the crisis-hit hospitals: 'We have no money to bail them out.' <sup>14</sup>

#### 10.3 Rates reform

Mr Pearson also launched a consultation on the reform of the rating system unveiled in July 2004. The new system, based on capital and not rental values as hitherto, will be generated by the Valuation and Lands Agency, which will publish the capital-value assessments in 2006. The consultation related to the proposed rate relief schemes and closed in mid-November.

The Family Resources Survey for 2002-03 suggests that the proportion of households dependent on rates and water-charges relief will be considerable. It shows that 24 per cent of households consist of single persons, that benefit receipt at 63 per cent of benefit units is higher than the UK average (58 per cent), that 75 per cent of single parents with children live in rented accommodation and only 57 per cent of single-parent households have a savings account, and that one in six of all households have no savings or bank account, compared with a UK average of one in 12.<sup>15</sup>

<sup>&</sup>lt;sup>1</sup> Belfast Telegraph, August 20th 2004

<sup>&</sup>lt;sup>2</sup> Officials also claim that their preference was dictated by the near-worthless value of the assets of the system in Northern Ireland, given they are so degraded, whereas Glas Cymru had a stronger asset base to use as security for borrowing.

<sup>&</sup>lt;sup>3</sup> Belfast Telegraph, August 20th 2004

<sup>&</sup>lt;sup>4</sup> Department for Regional Development press release, September 13th 2004. Within a month of the announcement a leaked memo to the *Belfast Telegraph* (October 14th 2004) suggested that the introduction of the charges could be delayed by up to 12 months.

<sup>&</sup>lt;sup>5</sup> The current estimate for the installation of meters in Northern Ireland's 630,000 domestic properties is £120 million (*ibid*). The devolved executive had ruled out water metering in its 2002 consultation on rating policy.

<sup>&</sup>lt;sup>6</sup> News Letter, August 24th 2004

<sup>&</sup>lt;sup>7</sup> See Heald, David (2003), Funding the Northern Ireland Assembly: Assessing the Options, Belfast: Northern Ireland Economic Council.

<sup>&</sup>lt;sup>8</sup> BBC Radio Ulster, September 14th 2004

<sup>&</sup>lt;sup>9</sup> News Letter, November 6th 2004

Department of Finance and Personnel press release, October 12th 2004. The document is available at <a href="https://www.pfgbudgetni.gov.uk">www.pfgbudgetni.gov.uk</a>.

available at <a href="https://www.detini.gov.uk">www.detini.gov.uk</a>.

Commons written answers, col 1072W, October 25th 2004

Department of Education press release, November 10th 2004

Belfast Telegraph, November 11th 2004

Introduced in Britain in 1992, this was the first such survey published for Northern Ireland. See Department for Social Development press release, October 28th 2004.

## 11. Political parties and elections Duncan Morrow and Robin Wilson

#### 11.1 Introduction

Ten years after the ceasefires, it is hard to imagine a time in recent history when the constitutional struggle that has shaped Northern Ireland has played a less prominent role in public consciousness. The 'acceptable level of peace' seems to involve an uneasy truce in which no real agreement is reached for fear of contaminating romantic longer-term aspirations. In the real world, aspirations to the pure Irish republic or the secure Protestant ascendancy may have been robbed of their practical credibility by decades of violence. The final collapse still awaits the moment when their failure can be openly admitted, and there is no sign of that in either camp. Indeed, considerable propaganda effort goes into proving the opposite.

Confronted with the practical need to prioritise agreement over victory and compromise over achievement, nationalist and unionist politicians have preferred hesitation and prevarication. For some time, it was republicans who appeared to resist the logical imperative to disarm in return for a guaranteed place in government and policing. Now, just as republicans appear to have come to the conclusion that the deal can and must be done (albeit because the 'armed struggle' itself is seen as a blockage to the achievement of ultimate goals rather than a means of delivery) unionists, or at least the DUP, appear unable to make the leap—yet.

The result is an uneasy stalemate, in which politicians appear unable to move forward to stability but where there is neither interest nor desire to return to the daily violence of the past. In the gap which is 'temporary' direct rule, most people in Northern Ireland still seem more grateful for the respite from fear than angry about the failure of politics. Official concern about declining electoral registration was evident during the quarter in a bizarre promotional event: Miss Northern Ireland, Kirsty Stewart, joined the (less than photogenic) NIO minister John Spellar at the Electoral Commission stand during the Ideal Home Exhibition in Belfast, to appeal to young people and students to register to vote. Ms Stewart conceded that many young people felt 'that there are many more important things going on in their lives'.<sup>1</sup>

Indeed, if expectations about future elections are to be fulfilled, voters seem to approve of the new fudge, being willing to acquiesce in the practical failure of the pure political projects while being unwilling to endorse anyone who actually seeks to acknowledge and build on this. A feature by the northern news editor of the *Irish Times* in October was significantly headed 'So what's wrong with direct rule from Westminster?'.<sup>2</sup>

#### 11.2 Almost there?

The centrepiece of political life in this quarter was the three-day intergovernmental summit at Leeds Castle in Kent in mid-September. In the run up, both SF and the DUP gave contradictory signals about their intentions. On the one hand, the DUP signalled its willingness to work with SF on policing in the event of complete disarmament<sup>3</sup>. On the other, it made clear that no former convict could be considered for any devolved post as minister of justice.<sup>4</sup> As the former IRA prisoner Gerry Kelly is most commonly mentioned in this connection, the implication was clear. SF attacked the DUP for continuing to ignore its democratic mandate<sup>5</sup> but remained coy about the future of paramilitary activity.

Reading the DUP was made even more difficult by the apparent disparities of approach between its deputy leader, Mr Robinson, who seemed to indicate a pragmatic willingness to seek a deal with SF,<sup>6</sup> and the party leader, Mr Paisley, who emerged from hospital to announce that he would lead the party team at the talks and would oppose sharing power with SF.<sup>7</sup>

In an attempt to put pressure on the parties, the prime minister, Mr Blair, announced that failure in the talks would result in direct, but unspecified, government action to force the pace.<sup>8</sup> In the event, three days of high-wire diplomacy failed to make the final connections required, in spite of the belief in both London and Dublin that the IRA was now prepared to do the unthinkable and put an end to all activity before Christmas, allowing for the restoration of the devolved executive by January.<sup>9</sup>

The upbeat message from Messrs Blair and Ahern at the end of the summit contrasted with the emergence of new technical issues standing in the way of progress, including rules for collective cabinet accountability and the mechanism for electing the first and deputy first ministers. Furthermore, it was clear that no final arrangements had been reached in relation to policing.<sup>10</sup>

Talks at Stormont in the week following the Leeds Castle summit appeared to make matters worse. Instead of completion, there was failure with a soft landing.<sup>11</sup> The SDLP leadership accused the DUP of seeking to reintroduce majority rule by the back door and of trying to renegotiate the agreement itself.<sup>12</sup> Given the optimism in government circles that a real breakthrough on IRA disarmament was imminent, there was palpable frustration that what appeared to be relatively minor technical matters were delaying completion. The result was a somewhat unconvincing oscillation on the part of government spokespeople between appearing to threaten time limits on negotiations one week<sup>13</sup> and appearing to concede more time the next.

At other levels, previously unthinkable change continued. Mr Paisley led a DUP delegation to meet the taoiseach in Dublin<sup>14</sup>—one wag commented that, in a previous decade, he would have been demonstrating in person against his own act of treachery. The PUP leader, David Ervine, hinted that a deal was close and that IRA decommissioning could be matched by major change from loyalists.<sup>15</sup> The republic's

new minister for foreign affairs, Mr (Dermot) Ahern, caused consternation in FF with his suggestion (see 'peace process' section) that SF could be in government in the republic in the event of devolution. <sup>16</sup> Meanwhile the SF president, Mr Adams, made a heartfelt appeal for the life of kidnapped British hostage, Ken Bigley, held by insurgents in Iraq<sup>17</sup> (provoking calls for his sympathy to be extended at home to the families of those 'disappeared' by the IRA). Perhaps most surprisingly of all, it emerged that SF MPs at Westminster—yet to take their seats—had run up combined office and travel expenses of £440,000 last year, prompting reruns of old Protestant jokes about purported Catholic loyalty to the half-crown rather than the crown. <sup>18</sup>

A deal continued, however, to prove elusive. Despite the taoiseach's selection of a new final, final deadline, of one year after the assembly election, few were holding their breath. It was difficult to see what the governments could or would do in the event of failure, though there was talk of a 'take or leave it' document emerging.

Speaking in the US, Mr Adams called on Dublin and London to impose joint sovereignty over the head of a recalcitrant DUP. <sup>19</sup> The option of further reducing the salaries of MLAs was also mooted, as was a phased restoration of the institutions, starting before Christmas <sup>20</sup>—given the difficulties of agreeing mechanisms for electing a first and a deputy first minister, even this would require broad support within the region.

In the interim, Northern Ireland continues to inhabit its unique mixture of administration by fiat and formal, if decorative, democracy.

#### 11.3 And meanwhile ...

The slow collapse of the SDLP took another twist with the decision of the party's candidate for the European election, Martin Morgan, to retire from politics and leave the party. The party can ill-afford the withdrawal of younger leadership figures, although there is no indication, as yet, that Mr Morgan will join SF. The last stand of the party leadership appears to be on policing and on a defence of the letter of the 1998 agreement.

One of the more interesting suggestions to emerge from the talks was that the SDLP and the UUP would prefer to sit in opposition rather than take their allotted seats under d'Hondt, were devolution to be restored (see 'peace process' section). But several tactical considerations—not least the ceding of publicity and prestige to opponents—would argue against it.

More immediately, the decision by the Irish Labour Party to consolidate its presence in Northern Ireland by strengthening its Labour Forum there means that the SDLP is now faced with a split, should the party be tempted to try to make an official arrangement with FF.<sup>22</sup> Realignment in Northern Ireland's politics looks more logical and inevitable than ever, even if it has yet to come to fruition.

The disjunction between politics and economic imperatives in the region was meanwhile evident during the quarter in a strong appeal by business leaders to the Leeds Castle participants to cut a deal. The chair of the Institute of Directors, Michael Maguire, warned: 'Failure raises the spectre of continuing uncertainty and lack of local control over our own affairs. New investment will be deterred and we will not be able to get to grips with major structural weaknesses in our economy.' The warning, however, fell on deaf ears.

What also became apparent in the wake of the talks in Kent was that any goodwill Northern Ireland's politicians had enjoyed among public opinion more generally in these islands since 1998 was now in very short supply. This is particularly true in the republic, where letters began to appear in the *Irish Times* reflecting a sense of weary disengagement. And the respected political editor of the Dublin *Sunday Tribune*, Stephen Collins, concluded a post-talks piece thus:

What is still not clear after all the talking is whether it was for real or just another set of bluffing moves by Sinn Féin and the DUP, designed to shift the blame for failure onto each other. They have exhausted the patience of the two governments and lost the interest of the people of the Republic and the UK. Where that leaves the process is anybody's guess.<sup>24</sup>

Six weeks later at Westminster, the UUP leader, Mr Trimble, was reduced to bemoaning the fact that the Commons had not debated the political situation in Northern Ireland for a decade. He called for a debate in government time on the floor of the house to 'explore the serious issues arising from the continuing suspension'. And he warned that the lack of such debate 'sent a very negative message to the electorate regarding the government's commitment to the Province'.

The leader of the house, Peter Hain, praised the former first minister's contribution to 'getting the political process on the road again'. But he didn't oblige him.<sup>25</sup>

<sup>3</sup> Irish Times, August 16th 2004

<sup>&</sup>lt;sup>1</sup> NIO press release, September 10<sup>th</sup> 2004

<sup>&</sup>lt;sup>2</sup> October 30<sup>th</sup> 2004

<sup>&</sup>lt;sup>4</sup> Irish News, August 25th 2004

<sup>&</sup>lt;sup>5</sup> Irish Times, August 17th 2004

<sup>&</sup>lt;sup>6</sup> Belfast Telegraph, September 6th 2004

<sup>&</sup>lt;sup>7</sup> Irish News, September 3rd 2004

<sup>&</sup>lt;sup>8</sup> Belfast Telegraph, September 9th 2004

<sup>&</sup>lt;sup>9</sup> Irish Times, September 16th 2004

<sup>&</sup>lt;sup>10</sup> Belfast Telegraph, September 18th 2004

<sup>&</sup>lt;sup>11</sup> Irish Times, September 20th 2004

<sup>&</sup>lt;sup>12</sup> Irish News, September 23rd 2004

<sup>13</sup> Irish Times, October 19th 2004

<sup>&</sup>lt;sup>14</sup> News Letter, October 31st 2004

<sup>&</sup>lt;sup>15</sup> BBC Radio Ulster, October 9th 2004

<sup>&</sup>lt;sup>16</sup> Irish Times, October 13th 2004

<sup>&</sup>lt;sup>17</sup> Irish News, October 1st 2004

<sup>&</sup>lt;sup>18</sup> Belfast Telegraph, October 21st 2004

Belfast Telegraph, November 4th 2004
 Irish Times, November 6th 2004
 Irish Times, September 17th 2004
 Irish Times, October 19th 2004
 News Letter, September 14th 2004
 Sunday Tribune, September 19th 2004
 News Letter, October 30th 2004

#### 12. Public policies Rick Wilford and Robin Wilson

NIO ministers continued their proactive approach during the quarter, taking a range of policy decisions that have proved controversial (see finance section)—in some cases, so much so that some regional politicians concluded that they had been taken to encourage the restoration of devolution.<sup>1</sup>

In mid-September, OFMDFM began a consultation on the proposed single equality bill. A discussion paper<sup>2</sup> setting out the options for the bill was launched in June 2004 and the consultation concluded in mid-November. The current estimate is that the bill is likely to be implemented in 2008. Relatedly, the relevant minister, Mr Spellar launched a consultation document<sup>3</sup> on a proposed gender-equality strategy. Both measures were originally advanced in the executive's first Programme for Government in 2001.

Also in Mr Spellar's portfolio, new legislation came into effect on hate crime, allowing of higher sentences for violence offences perceived to be aggravated by racist, sectarian or homophobic motives or targeting people with disabilities.<sup>4</sup> A major anti-racist demonstration took place in Belfast in October to protest against recurrent attacks on members of ethnic minorities.

Barry Gardiner, the employment and learning minister, announced his intention to bring forward legislation enabling universities to introduce variable tuition fees, up to a maximum of £3,000, as in England, with effect from 2006-07. 'Top-up' fees had been strongly opposed by the regional student advocacy body, NUS-USI.

Less controversially, Mr Gardiner also unveiled £5.16 million in support for 13 projects under the EQUAL programme, designed to tackle social exclusion. This is the second round of funding, sourced from the European Social Fund, for the programme and rewards innovative means of combating inequalities in the labour market for those in work and those seeking employment.<sup>7</sup>

In similar vein, the minister launched a three-year plan for the social economy, with which he has a hands-on engagement *via* chairing the associated Social Economy Forum. The social economy has a particular potential significance in Northern Ireland, which has the highest rate of economic inactivity (three in ten of the working-age population) of any UK region.

The SDLP, which has conducted a somewhat desultory 'Direct Rule Watch' effort over the past year or so, has been among the most vocal of critics of the activities of the NIO. An article in the *Derry Journal* enabled the party leader, Mr Durkan, to list the 'top ten failures' of direct rule and to conclude that policies introduced by British ministers with 'little local knowledge and no accountability' had 'failed the people of Northern Ireland'. The only solution, he wrote, was to 'get the Assembly up and running again' 10—but thereby hangs a tale.

41

<sup>&</sup>lt;sup>1</sup> See, for instance, 'SDLP claims "water conspiracy", *Irish News*, October 6th 2004.

<sup>&</sup>lt;sup>2</sup> See www.ofmdfmni.gov.uk/equality. <sup>3</sup> See OFMDFM press release, September 30th 2004.

<sup>&</sup>lt;sup>4</sup> Irish News, September 29th 2004

<sup>&</sup>lt;sup>5</sup> See Department of Employment and Learning press release, October 29th 2004.

<sup>&</sup>lt;sup>6</sup> News Letter, October 30th 2004

<sup>&</sup>lt;sup>7</sup> There were six funded projects in the first round. See DEL press release, 27 October 2004.

<sup>8</sup> Department of Enterprise, Trade and Investment press release, September 13th 2004

<sup>9</sup> DETI press release, October 4th 2004

<sup>&</sup>lt;sup>10</sup> October 19th 2004