



SPECIAL REPORT

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ABOUT THE REPORT

This report examines the prospects for political progress in Northern Ireland, specifically the potential restoration of the suspended institutions of the Good Friday Agreement.

The British and Irish governments have imposed a deadline of November 24, 2006, in order to end the current drift in the peace process. The report highlights how some of the flaws in the agreement and mistakes made during its implementation have contributed to current difficulties, including the persistence of community relations problems and increased political polarization. It sets the context for the crucial negotiations and explores the prospects of reaching a new accommodation with the relative extremes of the political spectrum in the ascendancy. The report argues that only by addressing all the outstanding issues can the agreement be placed on a firm and sustainable basis.

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He was involved in the negotiations for the Good Friday Agreement and subsequent talks regarding its implementation.

The views expressed in this report do not necessarily reflect the views of the United States Institute of Peace, which does not advocate specific policy positions.

SPECIAL REPORT 173

SEPTEMBER 2006

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Northern Ireland

Prospects for Progress in 2006?

Summary

- The British and Irish governments have declared that talks in 2006 will be “make or break” for reestablishing the political institutions that have been suspended since 2002. There is a serious prospect that the Assembly, the agreement’s key institution, could be dissolved.
- Political polarization has created a new context for mediators, in which the relatively extreme Democratic Unionist Party (DUP) and Sinn Féin have overtaken their more moderate unionist and nationalist rivals in the Ulster Unionist Party (UUP) and the Social Democratic and Labour Party (SDLP), respectively. Having historically based their efforts on trying to build an agreement primarily around the moderates, the governments are in uncharted waters in trying to reach a renewed accommodation. Furthermore, the package of incentives and disincentives available to the governments may not be sufficient to persuade the DUP and Sinn Féin to reach accommodation.
- The key issues in forthcoming negotiations will be the Independent Monitoring Commission’s verification of the end to all Irish Republican Army (IRA) activity, agreement on the modalities for the devolution of policing and criminal justice powers, and some changes to the details of the political institutions under the fundamental principles of the agreement.
- Northern Ireland’s Good Friday Agreement has been held up internationally as a model for successful peacekeeping. It has had many successes, most notably the end of republican and loyalist terrorist violence, although some residual paramilitary activity and involvement in organized crime remains a problem.
- However, the agreement has a number of flaws, many linked to its consociational character. Furthermore, major mistakes have been made during the attempts to achieve its full implementation. The prolonged suspensions of the political institutions are its most visible failure. However, the persistence of deep communal divisions and increased political polarization have been unintended consequences. Peace has come at the price of reconciliation.
- No fresh accommodation is likely to prove sustainable unless the wider flaws within the agreement are addressed and the lessons from past mistakes with implementation

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are learned. The British and Irish governments, with the close support and advice of the Bush administration, must avoid the temptation to seek another “quick fix.”

- If negotiations fail this fall, a return to mass terrorism is unlikely, and the region will remain superficially “normal” in many respects, but Northern Ireland risks emerging as a dysfunctional political entity.

Introduction

The Belfast Agreement, better known as the Good Friday Agreement, was concluded in April 1998 amid great fanfare and expectations for the future. It was a milestone in the troubled history of Ireland. For the first time, the two sovereign governments of the United Kingdom and the Republic of Ireland, with the support of the United States, along with parties from across the political divide, agreed on a new political framework for Northern Ireland. Yet, eight years on from the creation of the Belfast Agreement, Northern Ireland remains in the grip of political uncertainty.

Implementation of the agreement has proved to be much more difficult than its supporters anticipated. Moreover, flaws in the original conception and design of the agreement have been exposed. Its political institutions have been active for less than half the time since the agreement's creation. They have been suspended since October 2002, when the then-leading unionist party, the Ulster Unionists (UUP), made known its unwillingness to sustain the Executive after an alleged IRA spy ring directed against the British government and a number of political parties was uncovered.

The agreement and the way it was implemented have contributed to a deepening of the divisions within Northern Ireland and to an increased political polarization, and in turn these unintended side effects have contributed to the current political deadlock. Insofar as Northern Ireland can be described as peaceful, that peace has come at the price of reconciliation.

Both the British and Irish governments entered 2006 wanting to bring to an end the drift that had entered the peace process. Most Northern Ireland-based parties shared this concern. By November 24, 2006, either power-sharing devolved government will have resumed, or the Assembly, the principal institution arising out of the agreement, will have been dissolved.

However, the November timetable is somewhat artificial in that it is shaped in part by external calculations of the British and Irish governments. British Prime Minister Tony Blair has promised to leave office sometime during his third term and would regard a settlement in Northern Ireland as part of his legacy. A general election is expected in the Republic of Ireland during 2007; Sinn Féin will likely see significant gains and be in a position to influence the shape of the new government.

If the talks fail, the governments will move to a so-far ill-defined Plan B, under which they would try to implement other, noninstitutional aspects of the Good Friday Agreement. Notably, the British government would continue to exercise direct rule over Northern Ireland, but with an enhanced consultative role for the Irish government.

In May 2006, an interim Assembly was put in place without being given any formal power, in order to attempt to elect a power-sharing Executive before the end of November. Technically, this Assembly is not the body provided for in the Good Friday Agreement. Rather, it is a special Assembly, controlled by the secretary of state, which those representatives elected to the Northern Ireland Assembly in November 2003 were invited to attend.

The procedural attempts in the Assembly to determine a new Executive are merely a backdrop to the main negotiations that will occur between the British and Irish governments, periodically involving Tony Blair and Irish Taoiseach (Prime Minister) Bertie Ahern, supported by the Bush administration and the local parties. These negotiations will

intensify during the autumn and likely will include a number of major set-piece summits, building up to the putative deadline.

Embedded in the negotiations will be essentially two different elements. The first relates to the ongoing efforts to restore the institutions that were suspended in October 2002. Doing so requires sufficient confidence-building measures from republicans, and commitments from other parties, notably the unionists, to allow the restoration of political institutions. The second element relates to the review of the workings of the institutions provided for in the agreement, which started formally in January 2004. A range of reforms to the structures of the agreement is possible. The DUP is eager to see a number of changes in the institutions. In part, the party wants to make them more effective, but a greater concern is to ensure sufficient changes for the DUP to rationalize to its supporters the switch from being outright opponents to accepting and working under a revised agreement. Others, such as the Alliance Party, have identified deeper structural problems in the agreement.

Since 2004, both the British and Irish governments have accepted that changes can be made to the details of the agreement provided the fundamental principles and institutional framework remain in place. However, the governments may be tempted to try to limit reforms to those deemed necessary to ensure that the DUP is prepared to buy into the institutions. Interestingly, according to the *Northern Ireland Life and Times Survey 2005*, only 22 percent of those surveyed believed the agreement as it stood was workable, with 41 percent believing that the fundamentals were sound but the specifics needed to be renegotiated, leaving only 23 percent supporting more radical action (www.ark.ac.uk/nilt/2005/Political_Attributes/index.html).

The immediate causes of suspension seem to have been addressed. In July 2005, the IRA issued a statement that effectively renounced the use of violence for any and all purposes, not just terrorist attacks or other actions to advance the political cause of republicans. In September, the IRA decommissioned virtually all its weapons under the verification of the Independent International Commission on Decommissioning. The Independent Monitoring Commission (IMC) is tasked with assessing this new commitment. Since last summer, the IMC has produced progressively more positive reports, while still expressing concerns on a number of points, such as the involvement of IRA members in organized crime. By October 2006, the IMC is expected to determine that the IRA is in more or less full compliance with its new commitments.

However, a simple restoration of the status quo ante is not a viable option, because there has been a major change in the balance of power within the putative Assembly since October 2002. The DUP and Sinn Féin, the parties on the extremes of the Northern Ireland political spectrum, overtook their respective unionist and nationalist rivals, the UUP and the SDLP, in the 2003 Assembly elections, which proceeded even though the body was in suspension.

There are major question marks over whether the DUP and Sinn Féin, as the new larger parties on either side of the communal divide, are capable of reaching sufficient agreement to restore the institutions, let alone sustain them on a stable basis. This report sets the context for the crucial negotiations during the fall of 2006 and explores the prospects for reaching a new accommodation with the relative extremes of the political spectrum in the ascendancy.

Any comprehensive strategy for such talks must acknowledge and understand the design flaws within the agreement itself, and the mistakes and problems that have occurred during its implementation over the past eight years. Any efforts to restore devolution and to place it on a stable and sustainable basis must be widened beyond immediate efforts to get the DUP and Sinn Féin to achieve the lowest common denominator of agreement on a new accommodation.

While, in the event of failure, there is no real prospect of a return to large-scale terrorism, and Northern Ireland as a society will be able to continue to function with an air of normality, there is considerable danger that Northern Ireland will become a politically dysfunctional entity.

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Successes of the Agreement

While this report focuses on some of the agreement's failures, it is important not to understate its overall positive impact. After many years of disagreement over governance and the more recent legacy of terrorist violence, the agreement marked a major new beginning for Northern Ireland. Its creation is an indication of the efforts of the British and Irish governments, with the support of the Clinton administration, and in particular the skillful handling of the negotiations by former U.S. senator George Mitchell.

Most clearly, there has been a major reduction in terrorist violence from the Provisional IRA and, to a lesser extent, from the loyalist paramilitaries. As a result, the British government has been able to "normalize" its security posture to a considerable extent. Major reforms of policing in Northern Ireland also have been undertaken, including the transformation of the Royal Ulster Constabulary into the Police Service of Northern Ireland.

While the North-South aspects, involving cooperation between Northern Ireland and the Republic of Ireland, were some of the most difficult to negotiate, the operation of the resulting institutions has been comparatively uncontroversial. This element of the agreement has not been the cause of any of the wider difficulties encountered during implementation. Outside the formal structures, interaction among the people, businesses, and civil societies of the two jurisdictions has grown significantly. Moreover, relations between the British and Irish governments are better than at any other time since Irish independence. While there are still disagreements on some matters relating to substance and tactics within negotiations, both governments have managed the peace process as close partners.

Perhaps the greatest changes since the agreement have been in the attitudes and norms of behavior within Northern Ireland's political culture. The agreement has shaped the parameters of acceptable comment. While major political differences and old attitudes remain, they are expressed more subtly.

Problems with the Agreement

Conflict Management

The agreement is based essentially on an assumption of continued conflict management. For many, the dominant view underlying the agreement was that Northern Ireland was divided into two distinct and irreconcilable communities: one Protestant/unionist/British and the other Catholic/nationalist/Irish. Essentially, society would be managed through separate but equal provisions for separate communities.

Many of the agreement's structures are consistent with consociational theory, which postulates that systems of power-sharing based on the implicit or explicit recognition of group identities are the only viable way to build and sustain democracy within deeply divided societies. By contrast, advocates of the integrative school stress the importance of creating incentives to moderate the demands and behavior of groups. The agreement is heavily consociational, but Northern Ireland lacks many of the conditions necessary for a successful consociational democracy.

However, a major change in government policy on community relations issues has since signaled a renunciation of this vision and the adoption of a commitment to build a shared future. The British government now accepts that the human, financial, economic, and political costs of separate but equal provision of goods, facilities, and services are unsustainable. Instead, it has set the goal of creating a shared and integrated society in Northern Ireland. Through its "shared future" commitment, it intends to mainstream this thinking throughout public policy.

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There is now major disjunction between the government's stated approach to public policy and both the overall conflict management approach behind the agreement and the heavily consociational nature of its institutions.

Designations and Voting System

Two structural aspects of the agreement cause particular concern. The first is the use of assembly designations and the related voting system.

This system is problematic for four reasons. First, it entrenches divisions within society, making it difficult to create a common shared polity. Second, there is inequality in the voting powers of Assembly members, undermining a clear principle of democratic representation. Third, the system is too rigid to adjust to changing demographic and political circumstances. Finally, the process can be held hostage by minorities. This problem was the one most clearly demonstrated when the Assembly was in session.

During the 1998–2003 Assembly, the balance between pro- and anti-agreement unionists was very close. As only the 50:50:50 version of cross-community voting could be used for the election of the first minister and deputy first minister team, the numbers were so tight that the pro-agreement unionist camp could not afford any defections. During the repeated crises to ensure the implementation of the agreement during this period, there was a great fear that either First Minister David Trimble or Deputy First Minister Seamus Mallon would resign, as there was no guarantee that the same or another team could be elected again. In fact, both did resign on different occasions, and the rules of the Assembly had to be manipulated to avoid a deadlock.

Executive Formation

In virtually every parliamentary democracy, an executive is achieved through a single-party or voluntary coalition government that operates on the basis of collective responsibility. Under the Good Friday Agreement regime, ministers do not serve at the will of the Assembly but rather on the basis of a semiproportional formula that allocates places on the Executive in rough proportion to overall strength in the Assembly. The agreement essentially provides for an "involuntary" or "mandatory" coalition.

With parties guaranteed their number of ministries, there is little incentive to cooperate or moderate positions within government, nor are there penalties for failure to do so. Overall, the agreement provides a Balkanized executive. Power is divided rather than shared between parties and traditions.

Challenges Arising from the Principle of Consent

An even more fundamental problem is the absence of any consensus on the constitutional status of Northern Ireland. Consociational theory suggests that there should be a widespread consensus on the nature and boundaries of the state.

One of the agreement's more innovative elements is the institutionalization of "the principle of consent." The people of Northern Ireland have been granted the right to choose between remaining a part of the United Kingdom and joining a united Ireland. While there is a general consensus on the ground rules for self-determination, there is disagreement on outcomes, a disagreement that goes to the heart of the clash of identities within Northern Ireland.

This disagreement prevents the emergence of any overarching sense of shared identity for the people of Northern Ireland. The uncertainty over Northern Ireland's constitutional future will remain a source of tension and increased polarization.

The Good Friday/Belfast Agreement, April 10, 1998: Key Points¹

1. For full text, see www.nio.gov.uk/index/key-issues/the-agreement.htm.

Confidence-Building

- Parties commit to exclusively democratic and peaceful means of resolving differences over political issues.

Constitutional

- British and Irish governments recognize the right of the people of Northern Ireland to determine their constitutional status and the right of the people of Ireland to self-determination based on concurrent consent in both the northern and southern jurisdictions on the island.
- The Irish Constitutional claim to Northern Ireland is removed.

Strand One

- The Assembly is granted extensive legislative and executive powers.
- Assembly members are required to designate themselves as "unionist," "nationalist," or "other."
- Key decisions in the Assembly are made on a cross-community basis, with either 50 percent of designated unionists, 50 percent of designated nationalists, and 50 percent overall, or 40 percent of designated unionists, 40 percent of designated nationalists, and 60 percent overall.
- The first minister and deputy first minister are elected by the Assembly on a joint ticket, through the first method of "cross-community" voting.
- Parties choose Executive portfolios based on proportionate strengths, using the d'Hondt formula.
- Ministers abide by a Pledge of Office and Code of Conduct, including commitments to nonviolence and to operating the institutions in good faith.

Strand Two

- A North-South Ministerial Council is created, comprising ministers from the Northern Ireland devolved administration and the government of the Republic of Ireland, with the ability

to exchange information, coordinate policies, and agree on common policies within their mutual competence.

Strand Three

- A British-Irish Council is created, including the governments of the United Kingdom and Republic of Ireland; the devolved administrations in Scotland, Wales, and Northern Ireland; and the other territories within the British Isles (Jersey, Guernsey, and the Isle of Man), with capabilities similar to those of the North-South Ministerial Council.
- A British-Irish Intergovernmental Conference is established as a standing forum for governments to coordinate their sovereign responsibilities.

Rights, Safeguards, and Equality of Opportunity

- A Human Rights Commission is established.
- An Equality Commission and new statutory equality duties are created.
- Commitments are made to promote reconciliation and provide required services to the victims of violence.

Decommissioning

- Parties commit to using their influence to achieve the decommissioning of all paramilitary weapons within two years after the ratification of the agreement by referendum.

Security

- The British government commits to normalizing its security posture, which had been increased to counter the threat from terrorism.

Policing and Justice

- Commissions are created to make recommendations for reforms to policing and the criminal justice system.

Prisoners

- The British and Irish governments agree to put in place a scheme for the early release of politically motivated prisoners convicted of scheduled (paramilitary) offenses.

Constructive Ambiguity

One of the hallmarks of the agreement is the notion of “constructive ambiguity.” To get past certain difficult points in negotiations, parties interpret the same set of words differently. Such constructive ambiguities can have only short-term utility. In the medium term, the underlying differences in perception need to be addressed. If not, these gaps in understanding will create future problems and tensions.

One of the most marked differences relates to the agreement itself. Pro-agreement unionists perceived it as a means to safeguard the union with Great Britain. Nationalists, on the other hand, perceived it as part of a long-term strategy to deliver a united Ireland. Both expected the agreement to deliver mutually exclusive outcomes.

The area of constructive ambiguity that caused the most difficulties in the short term was decommissioning. Most parties, including the governments, perceived a firm commitment on the part of the republican movement and the loyalist paramilitaries to decommission their weapons within two years. Sinn Féin, however, insisted on a literal interpretation and argued that all parties had a responsibility to encourage decommissioning, especially through putting in place the appropriate enabling environment. For Sinn Féin, this environment could range from security normalization to a united Ireland.

Imbalances in Support

In the Republic of Ireland, the vote in favor of the agreement was over 94 percent, while the level of support in Northern Ireland was a very respectable 71 percent. While this result was not broken down formally, it is possible to make a number of observations on the basis of exit polls, while acknowledging a certain margin of error. Over 95 percent of nationalists supported the agreement, but barely half of unionists did.

Arguably, the agreement was more favorable to the unionist worldview, through gaining wider consent for Northern Ireland's constitutional position within the United Kingdom. But for unionists, who had historically been dominant within Northern Ireland, the agreement involved considerable compromise. Pro-agreement unionists could view it in pragmatic terms, involving what was necessary to stabilize Northern Ireland's position within the United Kingdom. They presented the agreement to their own constituency defensively; however, others balked at any compromise. Nationalists viewed it as a way station on the path to a united Ireland even though it fell considerably short of their longer term objectives.

The political differences between pro- and anti-agreement unionists within the UUP, and the battle with the anti-agreement DUP, posed a major obstacle to implementation. Since 1998, support for the agreement among unionists has declined further; however, since the DUP eclipsed the UUP in 2003, the salience of the pro versus anti split has dropped.

Problematic Implementation

Efforts to implement the agreement were played out through a series of negotiations between the Northern Ireland parties and the British and Irish governments, with the involvement of both the Clinton and Bush administrations, the latter very ably represented by two special envoys, Richard Haass and the current envoy, Mitchell Reiss. These talks culminated in a number of set-piece summits and the release of various plans and declarations. Four broad issues dominated discussions: decommissioning, security normalization, policing reform, and the stability of the institutions. None of these issues in themselves were particularly difficult to resolve; indeed, most were agreed in principle. Intractability was the result of problems relating to political will, interpretation, sequencing, and lack of a shared vision.

The decommissioning of paramilitary weapons became a major issue shortly after the first cease-fires in 1994. To an extent, it was seen as a means to disrupt the ability of paramilitaries to engage in violence, but primarily it was a confidence-building measure. Decommissioning before talks became decommissioning in parallel with talks, then decommissioning after talks. Significant negotiations were required to produce action from the IRA in 2001, 2003, and 2005. Apart from some token decommissioning from the fringe Loyalist Volunteer Force early in the process, no loyalist organization, including the Ulster Volunteer Force (UVF) and the Ulster Defence Association (UDA), has destroyed any weapons. The shifting line in the sand and the price that had to be paid in terms of concessions created a backlash against the agreement among unionists.

The initial reluctance of the UUP to share power with Sinn Féin in the absence of decommissioning subsequently transformed into wider doubts right across the community over the republican movement's commitment to democracy and the rule of law, given its continued involvement in paramilitary activity and organized crime.

A failure to deliver on apparent commitments to decommissioning at different times prevented the institutions from becoming operational or forced their suspension. At other times, different IRA activities created the crises.

Continued Paramilitary Activity

With original IRA and loyalist cessations of violence in 1994, the British and Irish governments initially allowed the paramilitaries to define their cease-fires in limited, qualified terms. Essentially, cease-fires were treated as applying only to attacks on the state, economic targets, and the so-called other side, thereby permitting a range of other paramilitary and criminal activities to continue. These included running organized crime networks and exercising social control down the barrel of a gun over a large number of working-class communities. The paramilitaries assumed the role of de facto police, shooting, assaulting, or exiling those engaged in petty crime or those who simply stood up to the local godfathers. Provided the paramilitaries restricted their actions to the same side of the community, they were literally able to get away with murder. They were behind a large catalogue of murders, mainly of drug dealers or other suspected criminals, as well as informers, or committed as part of internal feuds.

At the time of the Good Friday Agreement, an imperfect peace was accepted in principle, as long as the situation improved over time. It did not. The IRA was associated with a series of high-profile breaches of faith, including the smuggling of weapons from Florida, the suspected training of Fuerzas Armadas Revolucionarias de Colombia (FARC) narco-terrorists in Colombia, running the Stormont-gate spy ring, and, in December 2004, staging the largest bank robbery in the history of Britain and Ireland. All sparked strong political reactions. The various loyalist organizations, such as the UVF, UDA, and Loyalist Volunteer Force (LVF), all continued their own paramilitary and criminal activities, including murderous feuds.

As external facilitators, the British and Irish governments' primary interest lay in managing and containing the conflict. They judged that the best way of doing this was to bind Sinn Féin, and also the loyalist representatives, as closely as possible into a political settlement. Therefore, both governments tended to downplay the level and significance of continued illegal activities by the IRA and loyalist paramilitaries in order to keep an inclusive political process on track.

The failure of the authorities to sufficiently address continued paramilitary activity and involvement in organized crime contributed to a perception that there is a moral vacuum at the heart of the implementation of the agreement, with the reality of what organizations are engaged in being downplayed for reasons of political expediency.

While the IRA abandoned large-scale terrorism, a continued pattern of illegal paramilitary and criminal activity posed an ongoing problem, threatening democracy and the rule of law. Over time, it became increasingly clear that such activity from any party potentially

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The failure of the authorities to sufficiently address continued paramilitary activity and involvement in organized crime contributed to a perception that there is a moral vacuum at the heart of the implementation of the agreement.

The post-9/11 international context undoubtedly helped to create an even less tolerant climate for any illegal actions.

It was no coincidence that the first act of IRA decommissioning occurred in October 2001.

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eligible for a place in government undermined the basis of good governance—the fundamental building blocks of any just and fair society. The post-9/11 international context undoubtedly helped to create an even less tolerant climate for any illegal actions. It was no coincidence that the first act of IRA decommissioning occurred in October 2001. The Bush administration was also particularly firm in emphasizing adherence to the rule of law.

There were three general responses to this situation. First, in paragraph 13 of the Joint Declaration of 2003, a broader and clearer definition of paramilitary activity was established, including military attacks, sectarian incidents, training, targeting, intelligence gathering, acquisition and development of arms, “punishment attacks,” involvement in riots, and threats against exiles. Second, the IMC was established to monitor paramilitary activity against this standard. Its membership includes the former deputy director of the Central Intelligence Agency, Richard Kerr. The IMC has provided some critical benchmarking that can give the other parties confidence that the way forward is indeed based on honesty and integrity. The IMC's approach is likely to ensure that any restored political process will be based on a much firmer commitment by the parties to the rule of law than before. Finally, there was intensified pressure for a statement from the IRA committing it to democracy and nonviolence. The IRA did make a series of statements of such commitments, but usually framed them in ambiguous and conditional language, such as refraining from being a threat to the peace process or the agreement. In essence, the IRA retained the right to define what actions did or did not fail this test, leaving itself substantial room for discretion. Basically, the IRA could argue that it was not a threat to the state or the other side, while continuing to engage in a range of “community policing” actions and involvement in crime, especially since the IRA leadership did not regard its actions as criminal.

Transitional Justice

One of the major absences from the agreement was any holistic and comprehensive approach to transitional justice. Many other conflict resolution processes have some type of tribunal, domestic or international, to punish those responsible for serious offenses, or a commission to address truth and reconciliation issues, or both. In some cases, the conviction and punishment of those responsible for atrocities is deemed an essential precondition for reconciliation, while in others a process of truth recovery and apology is deemed sufficient. Northern Ireland has not followed either course, and reconciliation remains an elusive goal.

Northern Ireland adopted some of the elements of such processes, though on a very piecemeal basis. The longer the period from creation of the agreement, the less likely that there will be sufficient agreement to allow the emergence of any comprehensive approach. Instead, selective and competing demands for “justice” polarize the debate and intensify divisions.

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Problems within Negotiations

There have also been problems within the structures of the negotiations. At different stages in the process, the British and Irish governments have tended to focus their attention on only two parties. This lack of inclusivity brings a number of negative consequences. First, it limits the number of ideas that are placed on the table. Second, it risks missing some aspects of the process that need to be addressed. Third, it makes it difficult for other parties to apply pressure on recalcitrant parties. Finally, and most crucially, it removes any sense of collective ownership of outcomes and risks the disruptive actions of spoilers. The focus on the problem parties has given them undue power to hold the overall political

process hostage and has enhanced their political power at the expense of other voices, particularly moderate parties.

Overall, the governments have tended to engage in short-term crisis management rather than working toward a long-term vision and, therefore, according to a clear plan.

Attention to Community Relations Issues

Until very recently, community relations problems have not been addressed in any serious manner. They were at best marginal within the agreement. Nor were they a major feature in subsequent initiatives to revitalize the peace process. Arguably, this failure has allowed divisions to become further entrenched and to frustrate political progress.

Despite, or perhaps in some respects because of, the agreement, Northern Ireland remains a deeply divided society. Strong sectarian and racist attitudes remain prevalent, and there is a deeply ingrained pattern of segregation. Often territory and public space are marked out through the use of exclusive communal symbols. While separation is generally not the formal policy of the state, there is substantial duplication in the provision of goods, facilities, and services by both the public and private sectors. In the field of education, 95 percent of Northern Ireland's schoolchildren attend what is in effect a segregated school system. More and more "peace walls," built to keep people apart, were erected since the 1994 cease-fires than before.

However, there are also many positive trends. Significant elements of civil society are organized on a cross-community basis. The workplace, largely through top-down regulation, is integrated, and there is evidence of substantial public support for shared education, housing, and leisure pursuits. But this aspiration for shared provision is often frustrated, sometimes owing to lack of facilities, but mainly owing to fears over security, both physical and cultural. In terms of identity, more and more people are casting off traditional labels and challenging the notions that Protestant = British = unionist, or Catholic = Irish = nationalist. A growing number of new immigrants are coming to Northern Ireland to work—an encouraging sign of a globalizing economy. Their presence poses a challenge to traditional conceptions of identity.

It is increasingly recognized that the economic, financial, and personal costs of managing a divided society are unsustainable. The "them" versus "us" competition for control over resources and territory is a continued source of communal tensions that can sometimes flare into violence or mass public disorder.

By contrast, "a shared future" refers to the creation of an integrated society in Northern Ireland. The British government endorsed this vision in its 2005 Shared Future Framework document. The 2006 Shared Future Action Plan put forward the commitment to mainstream such thinking throughout public policy and in the delivery of goods, facilities, and services.

However, three challenges face this renewed community relations agenda. First, there is considerable uncertainty whether any new devolved administration, in particular one dominated by the DUP and Sinn Féin, would be willing and able to take this agenda forward. Second, there is an ongoing failure to address transitional justice issues in any comprehensive manner. Third and most critical, the policy of a shared future still stands in stark contrast with the underlying consociational approach of the Good Friday Agreement and many of its mechanisms.

Ethnic Moderates Miss an Opportunity

It was initially assumed that the Executive would be controlled by a powerful axis between the relatively moderate unionist party, the UUP, and the relatively moderate nationalist party, the SDLP, albeit within an inclusive framework. While the more extreme parties on either side, the DUP and Sinn Féin, could be part of the Executive, they would have comparatively minor roles.

The focus on the problem parties has given them undue power to hold the overall political process hostage and has enhanced their political power at the expense of other voices, particularly moderate parties.

In terms of identity, more and more people are casting off traditional labels and challenging the notions that Protestant = British = unionist, or Catholic = Irish = nationalist.

Because of the agreement's entrenchment of intra-ethnic competition, both the UUP and the SDLP were paralyzed, looking over their shoulders at the electoral competition from the DUP and Sinn Féin, respectively.

A number of factors explain the swing to the extremes. Many are linked to the nature of the agreement and its implementation, which has entrenched intra-ethnic competition between unionism and nationalism.

Paradoxically, the UUP and SDLP put in place structures of government that institutionalized intra-ethnic competition and helped the more extreme parties to outflank the moderates. The DUP and Sinn Féin decisively overtook their respective unionist and nationalist rivals in terms of both votes and Assembly seats in the November 2003 Assembly election.

The inability of the UUP and SDLP to cooperate effectively in government, understand and assist in addressing each other's problems, and defend the agreement accelerated this development. No serious effort was made to encourage electoral transfers across the communal divide. The evidence suggests that only around one-quarter of unionists will give any preference to a nationalist candidate, and vice versa. While a significant pro- and anti-agreement cleavage did emerge from 1998 onward, it never matched the political salience of the unionist-nationalist divide. Because of the agreement's entrenchment of intra-ethnic competition, both the UUP and the SDLP were paralyzed, looking over their shoulders at the electoral competition from the DUP and Sinn Féin, respectively.

Political Polarization

Historically, party support has tended to have peaks and troughs subject to the type of election. However, the trends in favor of the DUP and Sinn Féin are clear.

The DUP overtook the UUP in the 2003 Assembly elections and has consolidated this lead since then. In the 2005 Westminster election, the DUP gained ten members of Parliament to one for the UUP, a gap that was exaggerated by the first-past-the-post electoral system. The DUP's gains can be partly attributed to that party mopping up the support previously given to other, much smaller anti-agreement parties, and also to a drop in turnout of UUP voters. However, there is no doubt that some of these voters have transferred to the DUP, which has become a viable option for many middle-class unionists who have historically spurned it.

The rise of Sinn Féin at the expense of the SDLP mirrors this situation. However, Sinn Féin's growth spurt after the agreement is an acceleration of a long-term trend. On the nationalist side, Sinn Féin's support had been rising steadily since the early 1980s. The propaganda success of the 1981 hunger strikes demonstrated the potential benefits of the democratic process, initially in tandem with political violence. Sinn Féin's growth is a combination of some voters switching from the SDLP and also its success in attracting first-time voters. Sinn Féin has also made considerable electoral gains in the Republic of Ireland.

The votes of the cross-community and antisectarian Alliance Party dropped considerably in the aftermath of the Good Friday Agreement. Some votes went to the UUP and SDLP, thus softening their decline. Since then, the Alliance Party has stabilized its share of the vote.

A number of factors explain the swing to the extremes. Many are linked to the nature of the agreement and its implementation, which has entrenched intra-ethnic competition between unionism and nationalism. The institutionalized sectarianism in Assembly designations and other aspects of the agreement does not create a single polity for Northern Ireland. Rather, it creates two separate unionist and nationalist polities, in which two parties vie for overall control of the "group." In addition, there are few incentives for moderation or accommodation within the Executive. Furthermore, the uncertainty over Northern Ireland's constitutional status continues to be a polarizing factor. Very little sense of common identity is focused on Northern Ireland.

People are conditioned to think of themselves as belonging to different communities with competing interests. Inevitably, them-versus-us battles occur over control of resources and territory. Issues are regarded in zero-sum terms; what is judged as a success for one side of the community must be a loss for the other. Even the agreement itself is seen in such terms. At the time the agreement was signed, opinion polls showed that both sides of the community perceived it to be equally good for everyone. However, by 2001 it was

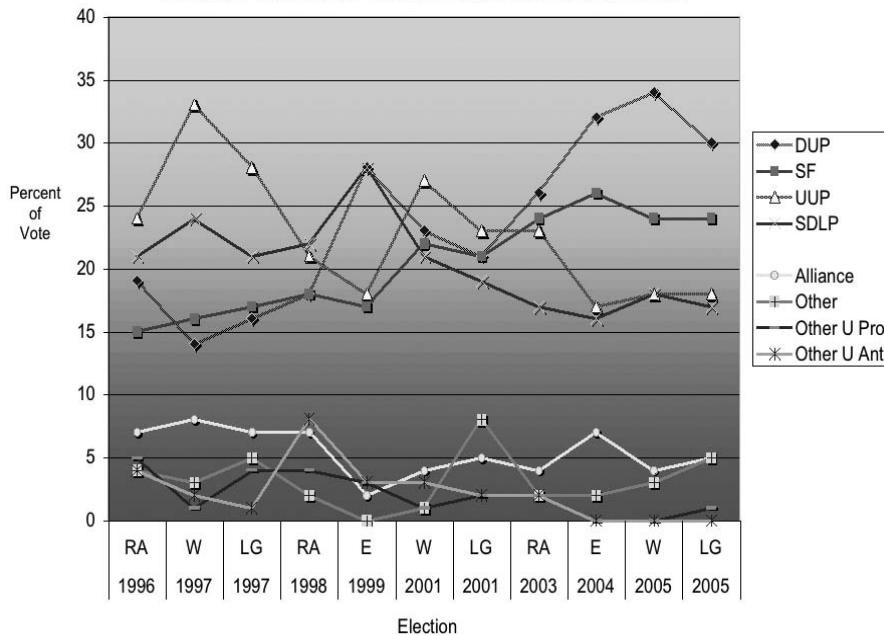
seen in zero-sum terms, with all sides agreeing that it benefited nationalists at unionists' expense. In the *Northern Ireland Life and Times Survey 2005*, only 30 percent felt that the agreement benefited all sides equally (www.ark.ac.uk/nilt/2005/Political_Attitudes/index.html).

Opinion polls have regularly demonstrated that the people have been more moderate than the political leaders in their desire to see a political accommodation. However, the situation constructed by the agreement has been ripe for exploitation by ethnic entrepreneurs, arguing that "their side" is being sold out by weak leadership and an overwillingness to compromise on the part of the perceived moderates, or that the "other side" is going to gain undue power. While there was widespread support for the agreement and the peace process in general, far too many people were conditioned to demand progress on terms perceived as favorable only to their side of the community.

The repeated crises in the implementation of the agreement significantly weakened the position of the UUP. With the singular focus on decommissioning, the UUP had to stomach more and more concessions offered to republicans by the British and Irish governments in order to achieve progress on decommissioning and the end to IRA paramilitary activity. These concessions alienated many supporters, allowing opponents of the agreement to exploit the situation. For nationalists, the continued crises further raised the power of Sinn Féin as a political party at the expense of the SDLP, leaving the latter increasingly marginalized in negotiations.

This political polarization continued despite opinion polls and the 2001 census indicating that increasing numbers of people were moving away from the traditional concept of identity. There is also a problem of regular nonvoters. Turnout in most elections in recent years has been just over 60 percent. Eighty-one percent of the electorate voted in the 1998 referendum on the agreement, with the vast majority of the additional voters opting for "yes." Yet, in the Assembly election held a matter of weeks later, overall turnout had dropped to under 70 percent. In some constituencies, the turnout differential was almost 20 percent. It can be expected that most of those new voters in the referendum would vote for either the UUP or the Alliance Party.

Political Polarization: The Rise of the DUP and Sinn Féin



Moderates versus Extremists

With the DUP and Sinn Féin being the larger parties within unionism and nationalism, respectively, the process is essentially built around them. The rules of the agreement entrench this approach. Moreover, both governments are wedded to a process including Sinn Féin, as this is deemed to be essential for building and consolidating peace.

Vote Share Shifts

Source: Northern Ireland Elections, www.ark.ac.uk/elections

Notes:

DUP = Democratic Unionist Party (relatively hard-line unionist party)

SF = Sinn Féin (relatively hard-line nationalist party, linked to the IRA)

UUP = Ulster Unionist Party (relatively moderate unionist party)

SDLP = Social Democratic and Labour Party (relatively moderate nationalist party)

Alliance = Alliance Party of Northern Ireland (antisectionarian, cross-community party). The 2004 European election figure refers to the vote of John Gilliland, an independent backed by Alliance.

Other = all other parties and independents

Other U Pro = Other pro-agreement unionists, in particular smaller unionist parties that supported the peace process, such as the Progressive Unionist Party (PUP), which is linked to the Ulster Volunteer Force (UVF), and the Ulster Democratic Party (UDP), linked to the Ulster Defence Association (UDA)

Other U Anti = Other anti-agreement unionists, in particular smaller unionist parties opposed to the agreement, such as the United Kingdom Unionist Party (UKUP), the Northern Ireland Unionist Party (NIUP), and the United Unionist Assembly Party

RA = Regional Assembly election

W = Westminster election (UK parliamentary general election)

LG = Local government election

E = European Parliament

There is no firm rule requiring a formal majority of the representatives from all traditions to be represented in office in order for cross-community power-sharing to be legitimate, but it is clearly more difficult to do otherwise in Northern Ireland today with the relative strength of the extremes.

In any event, the issue is largely moot because, at present, the UUP is not prepared to enter into any formal power-sharing arrangements without the DUP, as it has suffered electorally from having done so. Similarly, the SDLP is not prepared to enter into any arrangements without Sinn Féin, since it, too, fears the electoral consequences of being outflanked. In essence, both the relative moderates have consolidated the vetoes that they complain the relative extremes possess.

However, the DUP maintains that it is not prepared to engage in power-sharing with Sinn Féin for the foreseeable future. The republican movement still has a little way to go in demonstrating its willingness to abide by exclusively peaceful and democratic means and upholding the rule of law; however, the DUP's hostility toward Sinn Féin runs deep and is unlikely to be assuaged by these measures alone. Nevertheless, the process remains based on getting the DUP and Sinn Féin to agree to share power.

Some commentators and policymakers dealing with the Northern Ireland peace process do not seem overly concerned that the more extreme parties within unionism and nationalism, the DUP and Sinn Féin, have eclipsed their more moderate counterparts. Arguments have been made that the Good Friday Agreement should be seen as a precursor to the real deal to be made by the extremes. The supposed advantage of this outcome is that it binds together those with the ability to undermine progress through either the ballot box or the force of violence.

But this scenario runs contrary to thirty years of peacemaking efforts by the British and Irish governments. Their strategies aimed to build up the moderates, seeking to find a deal across the broad center and to marginalize the extremes. The theory was that if the moderates could demonstrate that government can work and be fair to all sections of society, then the political base of support for the extremes would be undermined, and any residual terrorist or paramilitary threat could be addressed through security measures.

Even if the extremes are moving toward the center, there are major drawbacks in trying to build and sustain a government where the main loci of power are on the far ends of the political spectrum. Prospects are poor for a system of government in which the DUP and Sinn Féin are the two main parties. History suggests it is extremely difficult to sustain a political process on such a basis. The DUP and Sinn Féin have mutually exclusive goals. Both parties have built their electoral success on representing segregated constituencies and have interests in preserving their power bases. Unless there is a meaningful attempt to overcome the ingrained patterns of division and to build a united community from the bottom up, disputes over matters such as parades, policing, symbols, and who gets more funding are likely to provide a plethora of issues over which these parties could have major disputes.

Fears exist that the two sides could work together only through increased separation—a Balkanization of Northern Ireland into spheres of control. Theoretically, political structures could be designed to make it possible for parties to coexist within the same government without actually having to deal directly with each other. Such measures may be superficially attractive as a short-term fix but would not provide long-term peace and stability, let alone the strong and effective government Northern Ireland needs.

The different approaches related to the shifting balance of power within Northern Ireland raise major questions for international mediators regarding whether it is better to focus efforts on perceived moderates (which, if properly bolstered, could marginalize the extreme elements) or to build a process around those extremes despite all the associated problems.

With the new efforts to build a political accommodation around the DUP and Sinn Féin, the Northern Ireland peace process is in uncharted waters.

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Key Issues

The ill-fated Comprehensive Agreement of December 2004 may be a starting point for further negotiations. At that stage, the British and Irish governments, along with the DUP and Sinn Féin, seemingly came close to a breakthrough, which nominally foundered on the issue of photographic evidence of IRA decommissioning. However, the draft paper was neither comprehensive nor agreed, even among those who were formerly parties to it. It is now generally regarded as containing a number of weaknesses, not least an overoptimistic timetable for agreement on the devolution of policing powers.

Neither government is working on the exclusive basis of that document, and indeed some parties have backed away from prior qualified commitments. Moreover, some elements of that tentative agreement have been overtaken by events (e.g., the IRA decommissioning and renunciation of violence).

End of IRA Activity? Republican Commitment to the Rule of Law

The key determinant of the feasibility of political progress will be confirmation of the end of the IRA involvement in paramilitary activity and organized crime. The conclusions of the Independent Monitoring Commission (IMC) will be instrumental in this regard.

On the basis of current trends and reports, it seems likely that the IMC will give a positive report on the status of the IRA in October 2006. It is conceivable the IRA will be deemed to be in more or less full compliance with its July 2005 commitment to end all violent activity.

The objective and transparent reports of the IMC reduce political parties' reliance on widely conflicting and inaccurate general impressions, rumors, and innuendo in making their judgments. While the republicans often perceived the IMC in negative terms for shining the spotlight on their activities, in the context of a relatively clean bill of health, the IMC's reports would serve to put pressure on the DUP. In such a context, continued refusals by the DUP to contemplate working with Sinn Féin in government would lose credibility.

A clear element of the governments' strategy is that in such circumstances, they will be able to build sufficient domestic and international pressure to compel the DUP to agree to work with Sinn Féin in government.

However, matters may not turn out to be that simple. It may not be technically possible for the IMC to give the IRA a 100 percent clean bill of health. There may be some incidents for which it is not possible to accurately attribute responsibility. Moreover, it is not clear at what point IRA-sanctioned activity and activities by other elements in the community meet.

This lack of clarity may provide the DUP with some cover if it wishes to refuse to engage. The fundamental decision facing the DUP is whether it is prepared to take a calculated political risk to engage.

Policing

Policing is likely to emerge as the most difficult and contentious issue in forthcoming negotiations. There will be considerable pressure on Sinn Féin to "sign up to policing." What this means is not entirely clear. In a narrow sense, Sinn Féin would take its seats on the Policing Board. In a broader sense, Sinn Féin would need to express full and unconditional support for the rule of law and accept the Police Service of Northern Ireland as the only legitimate policing agency within Northern Ireland. Even though Sinn Féin had been part of a prior devolved Executive, it would not be sustainable in the medium term for that party to be part of government with responsibilities for upholding the rule of law unless it supported the police service.

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It is probably a question of when, not if, Sinn Féin decides to join the Policing Board and support the Police Service of Northern Ireland.

There was a huge reaction among unionists against Sinn Féin's Martin McGuinness becoming education minister during the last Assembly, placing their children's futures in the hands of an alleged major player within the IRA.

Achieving full community support for policing was a major element within the abortive Comprehensive Agreement of December 2004. It anticipated that Sinn Féin would be in a position to take its seats on the Policing Board once the UK Parliament enacted legislation enabling the devolution of policing and justice. It also anticipated that the details of the timing, powers, and decision-making and accountability structures would be agreed within a hopelessly unrealistic ten-week window.

It is probably a question of when, not if, Sinn Féin decides to join the Policing Board and support the Police Service of Northern Ireland. However, the timing of any move by Sinn Féin may be determined by the shape of the negotiations; the party will want to see some further reforms to policing and progress on the devolution of policing powers to the Assembly.

All the other political parties, as well as large sections of nationalist civic society, having already signed up to policing reforms—often in the face of considerable criticism from republicans—will be reluctant to reopen past debates. In practice, there may be only limited discussions on how best to take on board the changes in policing best practice that have evolved since the Patten Report of 1999.

Devolution of Policing and Criminal Justice Powers

Policing is a very sensitive matter because it affects people's sense of security. There is great potential in giving a sense of cross-community ownership of policing and criminal justice through the devolution of such powers to the Assembly. However, there is considerable sensitivity over power being placed in the "wrong hands." These powers were reserved for the British government at the time of the agreement, but with the intention that they would be devolved in due course. There will be three aspects to any negotiations over this issue: structures of accountability, timing of devolution, and the powers to be transferred.

Some will fear a unionist taking control of these ministries, given the abuse of power under the 1921–72 Stormont regime. In more recent times, unionist politicians have not demonstrated a clear commitment to the rule of law, primarily in relation to the public order problems surrounding contentious Orange parades. However, it is the prospect of a leading member of Sinn Féin taking on this power that creates most fears. Previously, there was a huge reaction among unionists against Sinn Féin's Martin McGuinness becoming education minister during the last Assembly, placing their children's futures in the hands of an alleged major player within the IRA.

The British government has already taken on enabling powers to facilitate the devolution of policing and justice powers. Determining when the transfer will actually occur will be a three-stage process. First, the Assembly, on a motion tabled jointly by the first minister and deputy first minister (in practice a DUP and a Sinn Féin minister), must make a request on the basis of a cross-community vote. Second, the secretary of state must declare that the correct conditions are in place for devolution to occur. Third, the UK Parliament must pass an affirmative resolution.

The end to IRA paramilitary activity will not be the only factor in determining whether the appropriate conditions for devolution are in place; it is particularly important that any restored power-sharing executive be able to work effectively.

With respect to the departmental structures, the British and Irish governments have set out a number of models in the Joint Declaration (2003). This was updated by a Northern Ireland Office discussion paper released in 2006. None of the suggested models offers an ideal way forward. In the absence of collective ministerial responsibility and stronger accountability safeguards, the prospects of vesting powers through a single department, dividing them between two departments, or creating a department with two heads are unlikely to address the reservations regarding power being placed in the wrong hands, especially since either the DUP or Sinn Féin is likely to have first claim on the offices.

Institutional

It is likely, therefore, that any restoration of the Executive will be on the basis of a mandatory or involuntary coalition. Most of the technical matters in the negotiations will focus on institutional questions.

The Comprehensive Agreement set out a number of changes to ministerial accountability and promoted the need for collective decision making. Some of these changes to the agreement will be contested, and they illustrate deep differences in concepts of power-sharing.

The agreement did provide for some means of ministerial accountability and collective decision making. First, the Executive as a whole must agree on a Programme for Government and a budget, which in turn must be approved by the Assembly. Second, any measure requiring legislation must go the Assembly. Third, the current ministerial code requires ministers to bring to the Executive matters that cut across ministerial responsibilities.

However, ministers retain considerable authority and ability to make decisions within their own areas of responsibility. A number of decisions made by individual ministers when the Assembly was in operation were particularly controversial. In itself, this may be fairly normal. However, given that there is no overall collective responsibility within the Executive, and that ministers hold office purely on the basis of a mathematical formula, there is an absence of the corrective measures that usually come into play within governments, including power-sharing regimes, when decisions made by one minister are disputed by others in the administration.

There will be discussions about tightening up the ministerial codes of conduct and introducing mechanisms whereby decisions could be referred either by another minister or perhaps even by a critical mass of Assembly members, either to the Executive as a whole or to the Assembly, for resolution.

Under the agreement, the first minister and deputy first minister were the only members of the Executive voted on by the Assembly. Indeed, they were elected on a joint ticket. This was intended to encourage cooperation. In practice, however, relations between the two officeholders in the past Assembly were poor.

The DUP is reluctant to have one of its members elected to top office on a joint ticket with Sinn Féin. For this reason, the Comprehensive Agreement proposed awarding these posts to the top two parties, from different designations, without a vote. This would be a backward step.

It was also proposed that instead there be a collective vote within the entire Assembly to endorse any new Executive. Any Member of the Legislative Assembly who did not vote for the Executive would not be eligible to serve in it. Votes within the legislature to endorse the proposed Executive are the hallmark of parliamentary government. Even in Switzerland, the country with the methodology of executive formation closest to that used in Northern Ireland, there is a collective vote to endorse the incoming ministerial team. Such collective legitimization would signal the expectation that all ministers will work for the common good. It is perfectly reasonable to assume that anyone who wishes to serve in an Executive should be prepared to vote for the entire Executive. This approach ensures that to hold office, DUP Assembly members would have to vote actively for Sinn Féin members.

Both these debates indicate deeper disputes over the concept of power-sharing. In one approach, power-sharing becomes the division of the spoils of office among parties in proportion to their strength. Following from that, ministers should be able to exercise control in their areas of responsibility with minimal interference. This approach is more power division than power-sharing. In the other approach, greater checks and balances are in place to ensure that decision making is subject to cross-community control and ownership; the entire community should have legitimate interests in how decisions are made. Some fear that the position of minorities is compromised by the need to ensure

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Provided that the institutional architecture is properly constructed, accommodation should be encouraged. All sides would have to be careful about exercising a veto over others, lest vetoes be used against them.

All the parties have a clear stake in restoration in terms of access to power and the continuance or development of political careers. However, both the DUP and Sinn Féin have reasons to be risk averse.

Since the DUP has the largest delegation of the Northern Ireland parties in Westminster to fall back on, and Sinn Féin is perceived to have the widest base of resources, it is likely to be the other, more moderate parties that are most affected by the absence of devolution.

approval from the majority. However, there must be a degree of give-and-take within the system, and provided that the institutional architecture is properly constructed, accommodation should be encouraged. All sides would have to be careful about exercising a veto over others, lest vetoes be used against them.

With the swing to the relative extremes, there is considerable logic to strengthening accountability and collectivity.

Wider Institutional Change

A number of broader institutional reforms of the structures of the Good Friday Agreement should be considered in order to place any new accommodation on a firm and sustainable basis. They are unlikely to be addressed in the short term, as the governments attempt to focus discussions only on those issues deemed essential for reaching sufficient agreement for restoration. However, it is arguable that wider reforms are necessary to place the institutions on a sustainable footing.

Further institutional reform is required in at least three main areas. First, the system of Assembly designations should be abolished, and the associated voting system replaced by the use of a weighted or super-majority on key decisions. Second, the d'Hondt system for allocating posts within the Executive and distributing committee chairs should be replaced by a more proportional system that minimizes the risk of anomalies. Third, the involuntary or mandatory coalition character of the power-sharing Executive should be replaced by a voluntary coalition based on collective responsibility.

Incentives and Disincentives

The current basket of incentives for the parties may not be sufficient to break the deadlock. All the parties have a clear stake in restoration in terms of access to power and the continuance or development of political careers. However, both the DUP and Sinn Féin have reasons to be risk averse. Within its own constituency, the DUP is not under any real pressure to reach an accommodation with Sinn Féin. Indeed, many of its supporters and members would prefer to be under British direct rule rather than share power with Sinn Féin. The DUP will want to make decisions at its own pace and may be more resistant to external pressure to move than the wider strategy of the governments assumes. In a fascinating historical reversal, it is nationalists who have the stronger desire to see the return of a devolved Assembly in Northern Ireland. However, Sinn Féin, too, has a wider political project to fall back on. Its main interest lies in advancing its position in the political institutions of the Republic of Ireland.

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Although they stand to benefit from, and profess to be hungry for, a restoration, both the UUP and the SDLP are potential spoilers in the system. The UUP, having failed to reach a sustainable accommodation with nationalism when the party was in the political ascendancy (in part because of DUP opposition), may be wary of allowing the DUP to achieve the "final accommodation" for unionism. The SDLP has displayed strong reluctance to consider any changes to the details of the agreement for which it was largely responsible.

However, most disincentives are targeted against the unionist parties, in particular the DUP. In part, this is a reflection of where the greater shifts in attitude are required. The main concern for the DUP has to be the prospect of increased British-Irish cooperation over the internal affairs of Northern Ireland. In the past, such developments have been portrayed as a major threat to the unionist position. Notably, it was the desire to deal with the Anglo-Irish Agreement (1985) and to remove the territorial claim from the Irish

Constitution that pushed the UUP to enter into the multiparty talks that led to the Good Friday Agreement. However, the governments need to be careful not to push matters too far in the direction of joint authority, lest they spark a reaction from loyalist paramilitaries, which remain heavily armed.

Fundamentally, the cost of failure is tolerable. The British government supports Northern Ireland financially and economically. Terrorist violence is unlikely to return. And while underlying problems may remain unaddressed, a semblance of normality can continue. Voters can indulge in supporting the parties on the relative extremes.

Superficially, while Northern Ireland remains politically dysfunctional, it appears to be a modern region within Western Europe. Both the economy and security situations are improving. It has many quality schools and other facilities, some with world-class reputations. It has a lower crime rate than Great Britain. People can lead ordinary lives, relatively untouched by economic or physical insecurity.

As a consequence, while there is great uncertainty regarding the future governance of Northern Ireland, there is no sense of impending political crisis within the wider community. There was relatively little popular protest at the suspension of the Assembly in October 2002, and no strong demand or push on the political leaders to restore the institution. If anything, there is populist resentment at the continued payment of salaries and allowances for the members of the suspended Assembly, even though the US\$80 million annual cost is a relatively minor element of the overall Northern Ireland budget.

There is no overwhelming public support for the restoration of devolution. This is particularly the case within the unionism tradition. Overall, there is a certain apathy, cynicism, and even exhaustion with a drawn-out peace process. Moreover, there has been a drop in the appreciation of the impact that local decision making can have on issues. According to the *Northern Ireland Life and Times survey 2005*, only 46 percent of the population would be sorry to see the Assembly disappear (www.ark.ac.uk/nilt/2005/Political_Atitudes/index.html).

Accordingly, there is little pressure from the general public and civil society on politicians for a renewed political accommodation. While there is considerable unhappiness at some of the decisions made by British government ministers acting in the place of locally accountable devolved ministers, such as increases in water charges and in property taxes and the need for education reform, it has not created any meaningful pressure. The public feels some skepticism that locally elected politicians would be able to radically alter the course of public policy or even find sufficient consensus to make decisions in difficult policy areas. Indeed, in some quarters, a British administration may be considered preferable to one dominated by the polar extremes of the DUP and Sinn Féin. Others may view the British government as more likely to deliver on liberal social policies.

While Northern Ireland could function tolerably well without devolution, such a situation would do little to resolve the deep problems it faces. First, the persistence of community relations problems has already been made clear.

Second, there are a number of major economic problems. Northern Ireland is highly dependent on the public sector. There is a very large fiscal subvention from the British Treasury; only around half the overall public expenditure in Northern Ireland can be covered by local taxation. Manufacturing remains overreliant on declining industries; Northern Ireland struggles to compete in a globalizing world economy. The low unemployment figures mask a large economically inactive population off the books.

Third, while the overall crime rate may be low, there is a range of other problems relating to the rule of law. Paramilitary influence remains strong in a number of areas, especially working-class communities. Organized crime is prevalent and, according to some estimates, amounts to over 10 percent of Northern Ireland's gross domestic product. In many respects, a culture of lawlessness applies. Too many citizens do not appreciate the value of the rule of law for themselves and their communities; some local strongmen carry on their illegal activities with impunity. When tensions arise over issues such as contentious parades, the potential for mass public disorder remains. This can often break out on a regional level and overwhelm the ability of the forces of law and order to contain it.

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The British authorities may be willing to address these problems, but sustainable solutions depend on a return of devolution and local decision making.

Scenarios

Three broad scenarios can realistically be envisaged for the outcome of the 2006 phase of negotiations. Arguably, none of them would satisfactorily address all the outstanding political problems and provide the basis for stable and sustainable government.

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Scenario 1: A New Accommodation

The necessary political accommodation is reached, involving at a minimum the British and Irish governments, the DUP and Sinn Féin, and some or all of the other political parties. The Assembly and the other suspended institutions of the agreement are restored. DUP and Sinn Féin members fill the posts of first minister and deputy first minister, and a new Executive is formed.

However, the challenge of getting the DUP and Sinn Féin to agree to share power would be dwarfed by the challenge of getting them to work effectively together in the common interest. Any new regime would be extremely fragile and prone to collapse.

Scenario 2: Decisions Put Off

The DUP succeeds in taking the process beyond the November deadline. In part, it wishes to proceed according to its own timing rather than be forced into making decisions on the basis of a timetable imposed by the British and Irish governments.

Both governments naturally do not want to see a process drifting on indefinitely, and they have been firm in their determination that November will be a critical juncture in the process. However, in the past, the two governments have drawn many lines in the sand that were subsequently ignored or moved.

The governments could be tempted to extend the process in order to receive positive feedback from the DUP's constituency. Alternatively, enough progress may be made in negotiations to encourage the governments to give the process more time. Indeed, this may be the most likely scenario.

Already there are suggestions that the period of any redundancy payments for Assembly staff, followed by a final six-week window in which to elect an Executive, may become the effective deadline. This could take the process to the end of March 2007.

Scenario 3: Collapse

The institutions of the Good Friday Agreement are shut down, and the overall international standing of the agreement is called into question. Northern Ireland continues to be ruled by the British government, with an enhanced role for the Irish government. They attempt to implement other aspects of the agreement.

This is by far the most serious of the three outcomes. It is unlikely that mass terrorism would continue. Republicans would retain the ability to pursue their more important ambition of obtaining a share of power in the Republic of Ireland. In many respects, life would go on as normal within Northern Ireland. However, many deep structural problems, whose resolution requires a high degree of local leadership, would remain unaddressed.

Nonetheless, Northern Ireland would remain a politically dysfunctional entity. The only form of local governance remaining would be the District Councils. At present, they are part of a wider Review of Public Administration. The twenty-six councils are being reduced to seven "super-councils." Of these seven councils, three would have an overwhelming unionist majority, while at least two would have a clear nationalist majority. A single

regional Assembly would have provided some focus for a common identity. In the absence of such an Assembly, this proposed reform, at a political level, would mark a partition or a Balkanization of Northern Ireland, with unionists governing a mainly Protestant population and nationalists governing a mainly Catholic population.

In theory, talks could be resumed later and institutions restored. However, opportunities could be lost for another generation.

Conclusions and Recommendations

This report has sought to place an analysis of the prospects for political progress in Northern Ireland during 2006 ahead to the November deadline imposed by the British and Irish governments in the wider context of an examination of the flaws and deficiencies in the Good Friday Agreement itself and the mistakes that have been made during its implementation.

A tremendous amount of positive change and progress has occurred in Northern Ireland over the past decade. However, the political institutions have had a difficult existence, and the agreement has not only done little to address wider community relations in Northern Ireland but has directly contributed to political polarization. This changed political context has made the task of building a fair and durable settlement much more difficult, but far from impossible.

The governments and parties need to take a realistic look at what has worked and what has not. The United States should use its influence to push for a sufficiently comprehensive approach to maximize the chances of success. The temptation of a quick fix that leaves some issues unaddressed must be resisted.

Three broad themes should be in the minds of policymakers in trying to formulate a resumption of the institutions of the suspended agreement:

First, it should be clear that the agreement as originally formulated did not work as intended, and probably cannot. Changes to the details and structures of the agreement are essential. Second, it is important to learn the lessons of the problematic attempts to ensure the full implementation of the agreement. Third, it is necessary to take on board the implications of the change in the political balance of power within both unionism and nationalism.

A number of specific steps are also required:

1. The British, Irish, and U.S. governments need to maintain pressure on the republican movement to end all paramilitary and criminal activity and support the police service. Also, more pressure needs to be applied to loyalist paramilitaries to decommission their weapons and to give up all violent and criminal activity.
2. The governments need to create a negotiating framework that is fully inclusive of the five main political parties, DUP, UUP, Sinn Féin, SDLP, and Alliance, and avoid focusing excessively on the two largest parties, DUP and Sinn Féin.
3. The governments need to give much greater consideration not merely to how the DUP and Sinn Féin can agree to form a government together, but how such arrangements can be sustained. The temptation to permit the creation of separate spheres of influence within any DUP–Sinn Féin accommodation must be countered.
4. The governments should seriously push an agenda of institutional change. This should include addressing Assembly designations and the nature of the power-sharing Executive. Arguably, changes in the latter are necessary to provide an appropriate setting for the devolution of policing and justice powers.
5. Increased efforts must be made to promote a common regional identity for Northern Ireland and to create a sense of a shared vision and destiny. Some consideration should be given to identifying agreed constitutional status, rather than the present polarized choice.

The United States should use its influence to push for a sufficiently comprehensive approach to maximize the chances of success. The temptation of a quick fix that leaves some issues unaddressed must be resisted.

The governments, with the support of political parties and civil society, must actively pursue and develop the Shared Future agenda, through changing policies and practices in order to build a united community.

In the event of collapse, Northern Ireland will continue to stagger on with an air of normality, with the British and Irish governments providing a “soft landing.”

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6. The governments, with the support of political parties and civil society, must actively pursue and develop the Shared Future agenda, through changing policies and practices in order to build a united community. This is vital to underpin any progress in restoring the political institutions.
7. A serious effort must be made to address the interests of victims through a holistic approach to truth, reconciliation, and justice. At the very minimum, a victims' forum should be created.

November 2006 may prove to be a watershed in the Northern Ireland peace process. By international standards, the conflict, while traumatic internally, was not that severe. The communal divisions, while deep, were always fairly narrow. Today, post-agreement, the gaps between the positions of the parties are even smaller. However, faltering progress reflects Sigmund Freud's "narcissism of minor differences." Furthermore, the price of failure for many is tolerable. In the event of collapse, Northern Ireland will continue to stagger on with an air of normality, with the British and Irish governments providing a "soft landing."

The approach taken over the next few months, and the decisions made by the governments and parties, will go a long way to determining how Northern Ireland will be governed and how a number of structural problems within society can be tackled. The Northern Ireland peace process has benefited from enormous attention and goodwill. The opportunity for progress remains, but it must not be squandered.



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