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Summary

Between 1969 and 1999, almost 3,500 people died as a result of political violence in Northern Ireland, which is a part of the United Kingdom (UK). The conflict, which has its origins in the 1921 division of Ireland and is often referred to as “the Troubles,” has reflected a struggle between different national, cultural, and religious identities. Protestants in Northern Ireland (48%) largely define themselves as British and support continued incorporation in the UK (*unionists*). Most Catholics in Northern Ireland (45%) consider themselves Irish, and many desire a united Ireland (*nationalists*).

For years, the British and Irish governments sought to facilitate a political settlement. After many ups and downs, the two governments and the Northern Ireland political parties participating in the peace talks announced an agreement on April 10, 1998. The resulting Good Friday Agreement (also known as the Belfast Agreement) recognized the “consent principle” (i.e., a change in Northern Ireland’s status can come about only with the consent of a majority of its people). It called for devolved government—the transfer of power from London to Belfast—with a Northern Ireland Assembly and Executive Committee in which unionist and nationalist parties would share power, and it contained provisions on decommissioning (disarmament) of paramilitary weapons, policing, human rights, UK security normalization (demilitarization), and the status of prisoners.

Despite a much-improved security situation since the agreement was reached, full implementation of the Good Friday Agreement has been challenging. For years, instability in Northern Ireland’s devolved government was the rule rather than the exception. Amid a lack of trust and confidence on both sides of the conflict, decommissioning and police reforms were key sticking points.

In May 2007, Northern Ireland’s devolved political institutions were restored after a nearly five-year suspension through a power-sharing deal between the hardline Democratic Unionist Party (DUP) and Sinn Fein, the associated political party of the Irish Republican Army (IRA). The DUP and Sinn Fein have been the largest unionist and nationalist parties, respectively, in Northern Ireland since 2003, and have long been viewed as the two most polarized forces in Northern Ireland politics. The DUP and Sinn Fein also reached agreement in 2010 to resolve the outstanding and controversial issue of devolving police and justice affairs from London to Belfast.

Although many analysts view the implementation of the most important aspects of the Good Friday Agreement as having been completed, tensions remain within the devolved government and between the unionist and nationalist communities more broadly. Several events in 2014 and 2015—including the crisis over implementing welfare reform and the arrest of a Sinn Fein leader in connection with the murder of a former IRA member—have highlighted the fragility of relations between the unionist and nationalist communities and renewed concerns about the stability of the devolved government. Intertwined in many of the latest controversies are broader issues in Northern Ireland’s search for peace and reconciliation, which include

- Reducing sectarian strife and resolving differences over parading, protests, and the use of flags and emblems;
- Fully grappling with Northern Ireland’s legacy of violence (often termed “dealing with the past”);
- Addressing lingering concerns about paramilitary and dissident activity; and
- Promoting further economic development.

The Northern Ireland political parties and the British and Irish governments have made several attempts to address such long-standing challenges, most recently through the Fresh Start

Agreement concluded in November 2015. Elections for the next Assembly are due in May 2016. The DUP and Sinn Fein are widely expected to remain the largest parties in the Assembly and lead the next devolved government as it seeks to fully implement the Fresh Start Agreement and resolve remaining issues in the peace process.

Successive U.S. Administrations and many Members of Congress have actively supported the Northern Ireland peace process. For decades, the United States provided development aid through the International Fund for Ireland (IFI). In recent years, congressional hearings have focused on the peace process, police reforms, and the status of public inquiries into several murders in Northern Ireland in which collusion between the security forces and paramilitary groups is suspected. Such issues may continue to be of interest in the 114th Congress.

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Background

Between 1969 and 1999, almost 3,500 people died as a result of political violence in Northern Ireland, which is a part of the United Kingdom (UK). The conflict, which has its origins in the 1921 division of Ireland and is often referred to as “the Troubles,” has reflected a struggle between different national, cultural, and religious identities.¹ Protestants in Northern Ireland (48%) largely define themselves as British and support continued incorporation in the UK (*unionists*). Catholics in Northern Ireland (45%) considers themselves Irish, and many Catholics desire a united Ireland (*nationalists*). More militant unionists are often termed *loyalists*, while more militant nationalists are referred to as *republicans*; in the past, loyalists and republicans have been willing to use force to achieve their goals.²

The latest version of “the Troubles” was sparked in late 1968, when a civil rights movement was launched in Northern Ireland mostly by Catholics, who had long faced discrimination in areas such as electoral rights, housing, and employment. This civil rights movement was met with violence by some unionists, loyalists, and the police, which in turn prompted armed action by nationalists and republicans. Increasing chaos and escalating violence led the UK government to deploy the British Army on the streets of Northern Ireland in 1969 and to impose direct rule from London in 1972 (between 1920 and 1972, Northern Ireland had its own regional government at Stormont, outside Belfast).

For years, the British and Irish governments sought to facilitate a negotiated political settlement to the conflict in Northern Ireland. After many ups and downs, the two governments and the Northern Ireland political parties participating in the peace talks announced an agreement on April 10, 1998. This accord became known as the Good Friday Agreement (for the day on which it was concluded); it is also frequently referred to as the Belfast Agreement.³

At the core of the Good Friday Agreement is the “consent principle”—that is, a change in Northern Ireland’s status can come about only with the consent of the majority of its people (as well as with the consent of a majority in Ireland). While the agreement acknowledged that a substantial section of the population in Northern Ireland and a majority on the island desired a united Ireland, it recognized that the majority of people in Northern Ireland wished to remain part of the UK. If the preferences of these majorities were to change, the agreement asserted that both the British and Irish governments would have a binding obligation to bring about the wish of the people; thus, the agreement included provisions for future polls to be held in Northern Ireland on its constitutional status should events warrant.

¹ In 1921, the mostly Catholic, southern part of Ireland won independence from the United Kingdom (UK), resulting in the establishment of the Irish Free State in 1922 within the British Commonwealth. The Irish government formally declared Ireland a republic in 1948 and severed its remaining constitutional links with the UK. The Republic of Ireland, with a population of roughly 4.9 million, consists of 26 counties and occupies about five-sixths of the island of Ireland; Northern Ireland, with approximately 1.9 million people, is composed of six counties and occupies the remaining one-sixth of the island.

² Many unionists and loyalists refer to the six counties that today make up Northern Ireland as “Ulster.” Technically and historically, Ulster also includes the three northern-most counties of the Republic of Ireland.

³ The text of the Good Friday Agreement (or Belfast Agreement) may be found at <http://cain.ulst.ac.uk/events/peace/docs/agreement.htm>. The unionist/Protestant community tends to use the term Belfast Agreement, viewing the name Good Friday Agreement as biased in favor of the nationalist/Catholic community. For the purposes of this report, the peace accord is referred to as the Good Friday Agreement because this is the name more widely used and recognized in the United States.

Figure I. Map of Northern Ireland and Ireland



Source: Congressional Research Service graphic.

The Good Friday Agreement set out a framework for devolved government—the transfer of specified powers over local governance from London to Belfast—and called for establishing a Northern Ireland Assembly and Executive Committee in which unionist and nationalist parties would share power. To ensure that neither unionists nor nationalists could dominate the 108-member Assembly, the agreement specified that “key decisions” must receive cross-community support. The Executive Committee would be composed of a first minister, deputy first minister, and other ministers with departmental responsibilities (e.g., health, education, employment).

In addition, the Good Friday Agreement contained provisions on several issues viewed as central to the peace process: decommissioning (disarmament) of paramilitary weapons; policing; human rights; UK security normalization (demilitarization); and the status of prisoners. During the negotiations, talks on many of these areas were extremely contentious. Experts assert that the final agreed text thus reflected some degree of “constructive ambiguity” on such issues.

Finally, the Good Friday Agreement created new “north-south” and “east-west” institutions. A North-South Ministerial Council was established to allow leaders in the northern and southern parts of the island of Ireland to consult and cooperate on cross-border issues. A British-Irish Council also was formed, composed of representatives of the two governments and the devolved administrations of Northern Ireland, Scotland, Wales, the Channel Islands, and the Isle of Man to discuss matters of regional interest.

Voters in Northern Ireland and the Republic of Ireland approved the Good Friday Agreement in separate referendums on May 22, 1998. Elections to the new Northern Ireland Assembly took place on June 25, 1998. The two biggest and mainstream unionist and nationalist parties at the time—the Ulster Unionist Party (UUP) and the Social Democratic and Labour Party (SDLP)—won 28 and 24 seats respectively. The harder line Democratic Unionist Party (DUP), despite its continued opposition to many parts of the Good Friday Agreement, won 20 seats; Sinn Fein, the associated political party of the Irish Republican Army (IRA), won 18; and a number of smaller parties claimed the rest of the Assembly seats.

Devolved Government and Recurrent Crises

Despite a much improved security situation since the signing of the Good Friday Agreement in 1998, full implementation has been difficult. For years, instability in Northern Ireland’s devolved government was the rule rather than the exception. Decommissioning and police reforms were key sticking points. Sporadic violence from dissident republican and loyalist paramilitary groups that refused to accept the peace process and incidents of sectarian strife between Protestants and Catholics also helped feed ongoing mistrust between the unionist and nationalist communities.

1999-2002: Instability in the Devolved Government

Although Assembly elections were held in June 1998, devolution of power from London to Belfast did not follow promptly. A key unionist concern throughout the negotiations leading up to the Good Friday Agreement had been the issue of decommissioning, or the surrender of paramilitary weapons. The text of the agreement states “those who hold office should use only democratic, non-violent means, and those who do not should be excluded or removed from office.” Due to the election results, Sinn Fein was entitled to two ministerial posts on the Executive Committee. Unionists argued, however, that Sinn Fein could not assume its ministerial posts until the IRA had surrendered at least some of its weapons, noting that the agreement calls upon all paramilitary groups (both republican and loyalist) to decommission. Sinn Fein countered that the Good Friday Agreement did not specify a start date for decommissioning. Although the

IRA had been observing a ceasefire since 1997, it viewed decommissioning as tantamount to surrender, and had long resisted such calls.

In the fall of 1999, former U.S. Senator George Mitchell (who had chaired the peace talks), led a review of the Good Friday Agreement's implementation. This review succeeded in getting unionists to drop their precondition that the IRA had to decommission first, before Sinn Fein representatives could assume their ministerial posts. After 27 years of direct rule from London, authority over local affairs was transferred to the Northern Ireland Assembly and Executive on December 1, 1999. London, however, retained control over "reserved" matters including policing, prisons, and the criminal justice system; given the sensitive nature of these issues, the parties had been unable to reach an accord on their devolution at the time of the signing of the Good Friday Agreement and instead agreed to postpone the devolution of policing and justice powers until an undetermined point in the future. David Trimble, the leader of the UUP at the time, was elected First Minister; Seamus Mallon of the SDLP was elected Deputy First Minister.⁴

On February 11, 2000, however, London suspended Northern Ireland's devolved government because First Minister Trimble was poised to resign to protest the continued absence of IRA decommissioning. British officials feared that Trimble would have been replaced as party leader by someone less supportive of, if not opposed to, the peace agreement. After intense negotiations involving Trimble and Sinn Fein, the IRA pledged to initiate a process to put its arms "beyond use." Northern Ireland's power-sharing institutions were reinstated in June 2000.

For the next 12 months, unionists remained frustrated by the ongoing lack of actual IRA decommissioning. As a result, Trimble resigned as First Minister on July 1, 2001, claiming that he could no longer share power with nationalists who refused to give up their weapons and send a clear signal of their commitment to democratic politics. Negotiations led by the British and Irish governments to avert the collapse of Northern Ireland's political institutions again proved difficult. Since the Assembly can operate no longer than six weeks without a first minister or new elections must be called, London suspended the devolved government on August 10 for 24 hours; this brief suspension reset the clock, giving negotiators another six weeks to try to resolve the crisis. London feared that fresh elections would result in gains for hardline unionists and nationalists, which would further polarize the situation.

Meanwhile, pressure on the IRA to decommission began to grow following the August 2001 arrests in Colombia of three suspected IRA members on charges of training FARC guerrillas to use explosives. The FARC, estimated at the time to be 15,000 strong, is a force that has conducted terrorist attacks against Colombian political and economic targets, as well as U.S. interests. Given U.S. efforts to help Colombian authorities counter the FARC, the former George W. Bush Administration was troubled by the IRA's apparent ties to this group. Calls for IRA decommissioning increased even further after the September 11, 2001, terrorist attacks on the United States. According to the reported remarks of an Irish diplomat, "President Bush declared war against international terrorism.... If the IRA wanted to hold on to their weapons any longer, the Americans would simply have none of it."⁵ The IRA faced the possibility of being put back on the U.S. State Department's list of terrorist organizations, and Sinn Fein risked political isolation as well as the evaporation of private American financial support.

⁴ The leader of the SDLP at the time, John Hume, who with Trimble had been instrumental in forging the Good Friday Agreement, declined to accept the Deputy First Minister position because of ill health.

⁵ Kevin Cullen, "Sinn Fein Prods IRA on Disarming," *Boston Globe*, October 23, 2001; "Decommissioning Pace Forced by IRA's Colombian Links," *Irish Times*, October 27, 2001.

Negotiations among Sinn Fein, London, and Dublin continued, but on September 21, 2001, London suspended the Assembly again for 24 hours to buy more time. Finally, on October 23, after Sinn Fein leader Gerry Adams publicly called for IRA decommissioning, the IRA announced that it had put a quantity of arms, ammunition, and explosives “beyond use” to “save the peace process.” In response, the UUP agreed to rejoin the Executive, and the Assembly reconvened in November 2001. Trimble was re-elected First Minister and Mark Durkan, the new leader of the SDLP, was elected Deputy First Minister.

Relative calm prevailed in early 2002. On April 8, 2002, the IRA carried out a second act of decommissioning. Still, worries among unionists about the IRA’s long-term commitment to the peace process persisted following allegations that the IRA was buying new weapons, updating its “hit list,” and was behind the theft of intelligence documents from a Belfast police barracks. The IRA denied all of these accusations. The summer of 2002 saw an upsurge in sectarian violence, including paramilitary shootings and rioting in Belfast and elsewhere. First Minister Trimble threatened to resign again in a bid to pressure Sinn Fein to crack down on IRA members whom unionists claimed were behind the recent violence and in breach of the peace accord.

On October 4, 2002, police raided Sinn Fein’s Assembly offices and arrested four officials as part of an investigation into a suspected IRA spy ring. Unionists viewed the charges as further proof that the IRA was not committed to the democratic process. Both the UUP and the DUP threatened to withdraw from the government unless Sinn Fein was expelled. Sinn Fein countered that the timing of the police raid on its offices—shortly after another UUP ultimatum for IRA disarmament—was not coincidental, but rather intended to shift the blame for an impending government collapse away from the unionists. With the political process in turmoil, London once again suspended Belfast’s devolved government and reinstated direct rule on October 14, 2002.

2003-2007: The Struggle to Restore Devolution

Following the 2002 suspension of the devolved government, London and Dublin led talks with Northern Ireland’s political parties to try to find a way forward. Negotiations largely focused on finding a formula to assure unionists that the IRA was winding down as a paramilitary force and meeting nationalist demands for government stability and more progress in the police, justice, and human rights fields. In October 2003, the IRA announced a third act of decommissioning, but UUP leader Trimble criticized the lack of details about the quantity of arms disposed, and put further progress toward restoring devolution “on hold.”

Despite the suspension of the power-sharing institutions, Assembly elections took place in November 2003. The elections produced a significant shift in the balance of power in Northern Ireland politics in favor of perceived hardliners on both sides of the conflict. The DUP—led by the Reverend Ian Paisley—overtook the UUP as the dominant unionist party. Sinn Fein surpassed the more moderate SDLP to become the largest nationalist party. Immediately after the elections, the DUP asserted that it would not enter into government with Sinn Fein until the IRA disarmed and disbanded; the DUP also refused to talk directly to Sinn Fein. Most analysts predicted that the 2003 election results would make restoring devolution more difficult.

For much of 2004, negotiations to restore the devolved government continued but remained stalemated. Talks were further complicated by a December 2004 bank robbery in Belfast, which police believed was carried out by the IRA, and the January 2005 murder of a Belfast man, Robert McCartney, during a bar brawl involving IRA members. These incidents increased pressure on the IRA and Sinn Fein to address the additional issue of IRA criminality; perhaps most significantly, much of this pressure came from within the Catholic community. On April 6, 2005, Sinn Fein leader Gerry Adams effectively called on the IRA to abandon violence and

pursue politics as an “alternative” to “armed struggle.” The IRA responded that it would consider Adams’s appeal. London and Dublin welcomed Adams’s statement but stressed that further progress in the peace process would depend on a decisive end to all IRA activity.

On July 28, 2005, the IRA ordered an end to its armed campaign. It instructed all members to pursue objectives through “exclusively peaceful means” and to “not engage in any other activities whatsoever.” All IRA units were ordered to “dump arms.” Although many analysts asserted that the IRA’s statement was the least ambiguous one ever, unionists were wary, noting that it did not explicitly address the issue of IRA criminality or whether the IRA would disband. The DUP and other unionists also wanted Sinn Fein to support Northern Ireland’s new police service.

On September 26, 2005, Northern Ireland’s Independent International Commission on Decommissioning (IICD) announced that the IRA had put all of its arms beyond use, asserting that the IRA weaponry dismantled or made inoperable matched estimates provided by the security forces. On February 1, 2006, the International Monitoring Commission (IMC), responsible for monitoring paramilitary ceasefires and political party compliance with the peace agreement, asserted that the IRA seemed to be moving in the right direction. However, unionists remained skeptical that the IRA’s decommissioning would be accompanied by an end to all IRA paramilitary and criminal activity, and the DUP continued to resist sharing power with Sinn Fein.

In an attempt to break the stalemate, London recalled the Northern Ireland Assembly on May 15, 2006; the Assembly was permitted to debate policy matters but was not given the power to make laws. UK and Irish officials had hoped that by recalling the Assembly, even in such a “shadow” form, confidence would build between the opposing parties and in the political process. When this attempt ultimately failed, London and Dublin gave the parties until November 24, 2006, to form an Executive or new British-Irish “partnership arrangements” would be implemented to effectively govern Northern Ireland. The exact form of such partnership arrangements was left unclear, but analysts viewed this prospect as a veiled threat to unionists to reach a deal or risk ceding greater authority over the affairs of Northern Ireland to Dublin.⁶

With no real progress in the negotiations by mid-September 2006, then-UK Prime Minister Tony Blair and then-Irish Prime Minister Bertie Ahern announced an all-party meeting in Scotland in an attempt to hammer out a deal. On October 13, Blair and Ahern put forth a road map, known as the “St. Andrews Agreement,” intended to break the political stalemate. It called for negotiations between November 2006 and March 2007 on forming a new permanent government; during this time, the DUP would agree to share power with Sinn Fein, and Sinn Fein would agree to support the police service and join the Policing Board. The St. Andrews Agreement also included some changes to the operation of the power-sharing institutions and provisions on government stability and human rights; in addition, to meet nationalist demands, it called for the devolution of policing and justice powers from London to Belfast by May 2008. It set March 7, 2007, as the date for new Assembly elections, and March 26 as the date for London to rescind direct rule and restore Northern Ireland’s devolved government. Blair and Ahern warned again that failure to establish an Executive by March 26 would result in the dissolution of the Assembly and new British-Irish “partnership arrangements” to govern Northern Ireland.

Analysts contended that the biggest problem was the lack of trust between the DUP and Sinn Fein. The DUP wanted Sinn Fein to accept Northern Ireland’s new police service, the courts, and the rule of law before agreeing to shared government. Meanwhile, Sinn Fein wanted the shared government to sit before accepting policing because it feared that, otherwise, the DUP would

⁶ Brian Lavery, “Blair and Ahern Warn Ulster: End the Standoff by Fall Deadline,” *New York Times*, April 7, 2006.

raise additional issues regarding the IRA before agreeing to share power. In January 2007, Sinn Fein members voted to support Northern Ireland's police and the criminal justice system in the context of the reestablishment of the political institutions. Many experts viewed Sinn Fein's resolution as historic, given the IRA's traditional view of the police as a legitimate target.⁷

On March 7, 2007, Northern Ireland voters went to the polls. Once again, the DUP and Sinn Fein emerged as the largest unionist and nationalist parties. Both the DUP and Sinn Fein interpreted these election results, in which each saw off challenges from internal dissenters opposed to the St. Andrews Agreement, as providing a mandate to work toward forming a power-sharing government. Analysts speculated that in light of Sinn Fein's commitment to policing, and perhaps to secure his own legacy, Paisley was finally ready to enter into government with Sinn Fein.

On March 26, 2007, in an historic event, Paisley and Adams met for the first time and announced a deal to form a power-sharing government on May 8, 2007. London and Dublin agreed to accept the six-week delay in restoring Northern Ireland's devolved government given that the two parties were able to reach agreement themselves. The DUP had pressed for the delay in order to "raise the level of confidence in the [unionist] community," especially in regard to Sinn Fein's commitment to support policing. Analysts contended that the image of Paisley and Adams sitting at the same table and the statements of both pledging to work toward a better future for "all" the people of Northern Ireland were unprecedented.⁸

On May 8, 2007, Paisley and Sinn Fein's chief negotiator Martin McGuinness were sworn in as First and Deputy First Minister respectively, and the power-sharing Assembly and Executive began work. Many experts believed that unlike past efforts, this deal would stick, given that it was reached by the DUP and Sinn Fein, viewed as the two most polarized forces in Northern Ireland politics. By many accounts, Paisley and McGuinness established a good working relationship, and the devolved government ran relatively smoothly for the remainder of 2007. Focus was largely on local issues, such as water charges, health care, housing, and education. In October 2007, the Executive issued a new legislative program, a 10-year investment strategy, and its first budget since devolution was restored. Many hailed these documents as demonstrating the Executive's ability to work together on key priorities and spending plans.⁹

At the same time, tensions remained within the devolved government and many continued to reflect nationalist-unionist divisions. Most significantly, the DUP and Sinn Fein remained at odds over the transfer of police and justice affairs from London to the devolved government by May 2008, as called for in the 2006 St. Andrews Agreement. The DUP had long maintained that May 2008 was merely an aspirational date to which they were not committed.

2008-2010: The Transfer of Policing and Justice Powers

During the first few months of 2008, the UK government continued to encourage the devolution of policing and justice powers to Northern Ireland's Assembly and Executive by May 2008. Sinn Fein leaders warned that a failure to transfer police and justice powers by then could lead to renewed political instability. The DUP, however, continued to argue that May 2008 was only a target date and that more time was needed to build public confidence both in Sinn Fein's

⁷ "Sinn Fein Votes to Support Police," BBC News, January 28, 2007.

⁸ Frank Millar, "Paisley Reaches Out and Grasps Cherished Prize," *Irish Times*, March 27, 2007; "NI Politics Moves Away from Edge," BBC News, May 8, 2007.

⁹ Dan McGinn, "Job Creation Key to Stormont Programme for Government," Press Association, October 25, 2007; "McAleese Praises Stormont Leaders," *Irish News*, November 30, 2007.

commitment to the police service and the devolved government's ability to undertake such a sensitive policy portfolio. Consequently, the May 2008 deadline for the devolution of police and justice affairs came and went.

The issue was further complicated when Ian Paisley stepped down as DUP leader and First Minister on June 5, 2008, at the age of 81. Observers speculated that Paisley's decision likely reflected his increasing physical fragility and a loss of support among some Protestant voters still opposed to the power-sharing deal with Sinn Fein. Peter Robinson, the former deputy DUP leader, succeeded Paisley as party leader and first minister. Press reports indicated that the relationship between Robinson and Deputy First Minister McGuinness was much frostier than that between Paisley and McGuinness. Some suggest that Robinson's demeanor toward McGuinness reflected pressure from hardline elements both within and outside the DUP.

In July 2008, the lack of progress on devolving police and justice powers from London to Belfast prompted Sinn Fein to block the regular meetings of the Executive Committee, essentially bringing the formal work of the Assembly to a standstill. Press reports indicated that Sinn Fein was also unhappy with DUP opposition to other nationalist legislative proposals, including education reform, an Irish language act, and the proposed transformation of the Maze prison site. After a five-month suspension, Executive Committee meetings resumed in late November 2008 following a DUP-Sinn Fein agreement on a roadmap for devolving authority for policing and justice affairs. Although Sinn Fein failed to achieve a precise date for such devolution, the roadmap set out a series of steps aimed at producing the eventual transfer of power.

As part of the roadmap, the DUP and Sinn Fein agreed that a Northern Ireland Justice Department would be established, as well as an independent attorney general for Northern Ireland. In addition, the parties agreed on a system for choosing a justice minister. Although Executive Committee ministerial portfolios are normally allocated based on party strength, the two sides asserted that given the sensitive nature of this position, the new justice minister would be elected by a cross-community vote in the Assembly. The DUP was eager to ensure that the justice minister post would not go to Sinn Fein in the near future.¹⁰

Nevertheless, for much of 2009, progress on transferring police and justice powers to the devolved government remained slow. The DUP continued to insist that it would only support devolution when there was sufficient confidence within the unionist community; among the confidence-building measures reportedly demanded by the DUP were certain guarantees regarding police reserve units and changes to how contentious sectarian parades in the region were managed (see "Recent Events" for more information). Sinn Fein accused the DUP of stalling and playing politics. As the months went on, observers noted an uptick in dissident and paramilitary activity and asserted that such groups were attempting to exploit the perceived instability in the devolved government. In March 2009, two British soldiers and a policeman were killed by dissident republicans in separate incidents. Both the DUP and Sinn Fein condemned the murders and pledged that such actions would not impede the peace process or the work of the devolved government.

On December 1, 2009, the Northern Ireland Assembly passed a bill paving the way for the devolution of policing and justice powers. The bill created a justice department and formally established the rules for appointing a justice minister (as agreed in the November 2008 roadmap).

¹⁰ David McKittrick, "Sinn Fein Isolated at Stormont in Stand-Off with DUP over Power-Sharing," *The Independent*, September 19, 2008; Gerry Moriarty, "Robinson and Adams Have to Show Leadership," *Irish Times*, October 17, 2008; Henry McDonald and Owen Bowcott, "Northern Ireland Parties Reach Devolution Agreement," *The Guardian*, November 18, 2008; Mark Devenport, "Agreement Leaves Unanswered Questions," BBC News, November 19, 2008.

However, Deputy First Minister McGuinness also warned of an “impending full blown crisis” in the devolved government if a firm date for devolution was not set soon. Negotiations between the DUP and Sinn Fein continued in early 2010, but remained deadlocked. On January 25, 2010, then-British Prime Minister (name redacted) and then-Irish Prime Minister Brian Cowen convened a summit with the parties to try to hammer out a deal and set a date for the devolution of authority for policing and justice affairs.

On February 4, 2010, after 10 days of intense negotiations, the DUP and Sinn Fein announced that they had reached a deal on the devolution of policing and justice authority from London to Belfast. The resulting “Hillsborough Agreement” set April 12, 2010, as the date for this transfer of power. The Hillsborough Agreement also established a timeline for developing a new mechanism to deal with disputed sectarian parades. Other parts of the accord called for establishing working groups to examine how the Executive might function better, as well as to address remaining issues from the 2006 St. Andrews Agreement. London, Dublin, and Washington hailed the Hillsborough accord as a significant step toward completing the full implementation of the Good Friday Agreement and securing a lasting peace in Northern Ireland.

On March 9, 2010, the Northern Ireland Assembly approved the Hillsborough Agreement. On April 12, as agreed and for the first time in 38 years, London transferred power over policing and justice affairs to Belfast. That same day, David Ford, of the smaller, cross-community Alliance Party, was elected as Northern Ireland’s new justice minister.¹¹

Implementing Police Reforms

Police reforms have long been recognized as a key element in achieving a comprehensive peace in Northern Ireland, but implementation has been challenging. The Royal Ulster Constabulary (RUC)—Northern Ireland’s former, 92% Protestant police force—was long viewed by Catholics as an enforcer of Protestant domination. Human rights organizations accused the RUC of brutality and collusion with loyalist paramilitary groups. Defenders of the RUC pointed to its tradition of loyalty and discipline and its record in fighting terrorism. The Good Friday Agreement called for an independent commission to make recommendations to help “ensure policing arrangements, including composition, recruitment, training, culture, ethos and symbols, are such that ... Northern Ireland has a police service that can enjoy widespread support from ... the community as a whole.” In June 1998, Prime Minister Blair appointed Chris Patten to head this commission.

In September 1999, the Patten Commission released a report with 175 recommendations. It proposed a new name for the RUC, a new badge, and new symbols free of the British or Irish states. Other key measures included reducing the size of the force from 11,400 to 7,500, and increasing the proportion of Catholic officers (from 8% to 30% in 10 years). Unionists responded negatively, but nationalists were mostly positive.¹²

In May 2000, the Blair government introduced the Police Bill in the UK House of Commons, and maintained that the reform bill was faithful to the Patten report’s “broad intention” and “detailed recommendations.” Nationalists were critical, arguing that Patten’s proposals had been gutted. London responded that amendments would deal with human rights training, promoting 50-50

¹¹ “Justice Minister in Place by Xmas,” *Belfast News*, December 3, 2009; “Parading: A Deal Breaker?” BBC News, January 14, 2010; “Timeline: Devolution of Policing and Justice,” BBC News, February 5, 2010; Steven McCaffery and David Young, “Assembly Passes Policing and Justice Devolution,” *The Independent*, March 9, 2010.

¹² See “A New Beginning: Policing in Northern Ireland,” The Report of the Independent Commission on Policing for Northern Ireland, September 1999. The text may be found at <http://cain.ulst.ac.uk/issues/police/patten/patten99.pdf>.

recruitment of Catholics and Protestants, and oversight responsibilities. The Police (Northern Ireland) Bill became law in November 2000, but Sinn Fein and the SDLP asserted that the reforms did not go far enough and were doubtful that the new police force would be sufficiently accountable or responsive to the entire community. In March 2001, recruiting began for the future Police Service of Northern Ireland (PSNI), but it was unclear whether nationalists would support this new force or join the 19-member Policing Board, a new democratic oversight body. To help ensure nationalist support, London proposed further concessions in July 2001, including halving the anti-terrorist “Special Branch” and prohibiting new recruits from using plastic bullets.

In August 2001, the SDLP broke with Sinn Fein and accepted the British government’s additional concessions on policing. The SDLP agreed to nominate representatives to the Policing Board and urged young Catholics to join the new police service. The UUP and the DUP also agreed to join the Policing Board, which came into being on November 4, 2001. That same day, the RUC was renamed the PSNI, and the first class of recruits drawn 50-50 from both Catholic and Protestant communities began their training. Sinn Fein maintained that the changes in the police service were largely cosmetic and continued to charge that the new PSNI—like the RUC before it—would be unduly influenced by elements of the security services opposed to the peace process. Some say that Sinn Fein’s absence from the Policing Board discouraged more Catholics from joining the PSNI, and prevented the PSNI’s full acceptance by the nationalist community.

To assuage nationalist concerns further and encourage Sinn Fein to join the Policing Board, London outlined plans in November 2002 for new policing legislation to provide more public accountability and to eventually allow former paramilitaries to sit on Northern Ireland’s District Policing Partnerships, which seek to foster greater local involvement in policing. This Police (Northern Ireland) Bill became law in April 2003. In November 2004, Sinn Fein leader Gerry Adams met with then-PSNI chief Hugh Orde for the first time in what was viewed by many as a positive sign for the peace process.

Sinn Fein continued to assert, however, that its acceptance of the PSNI and the Policing Board hinged on a deal to revive the devolved government and the transfer of policing and justice powers from London to a restored Assembly and Executive. As noted previously, in January 2007, Sinn Fein members voted to support the police and join the Policing Board. Sinn Fein members assumed their places on the Policing Board in late May 2007, following the re-establishment of the devolved government. Some analysts contended that Sinn Fein’s 2007 decisions to support the PSNI and join the Policing Board were made on the assumption that the devolution of policing and justice powers would occur soon thereafter. As such, Sinn Fein leaders reportedly worried that the delay in this process left them vulnerable to dissident republicans who could claim that Sinn Fein’s new approach toward policing had not produced tangible results.¹³ As discussed above, policing and justice powers were transferred to the Northern Ireland Assembly and Executive in April 2010.

In March 2011, the 50-50 recruitment process for Catholic and Protestant PSNI officers was brought to a close. In making this decision, UK officials asserted that Catholic officers now made up almost 30% of the PSNI, and as such, the 50-50 process had fulfilled the goal set out by the Patten Commission. Although some nationalists viewed this decision as premature, many unionists applauded it, viewing the 50-50 rule as unfairly discriminating against Protestants.¹⁴ Recently, however, concerns have increased that not enough Catholics have been seeking to join the PSNI, partly because of lingering suspicions about the police within the Catholic/nationalist

¹³ “Northern Ireland: Eerie Echoes of the Past,” *The Guardian*, December 31, 2009.

¹⁴ “Police 50-50 Recruiting System Is to End,” BBC News, March 28, 2011.

community but also because of growing fears that Catholic police recruits may be key targets of dissident republicans. According to one news report, of the 401 new officers recruited to join the PSNI since 2013, only 77 were Catholic.¹⁵

Security Normalization

In July 2007, the British army ended its 38-year-long military operation in Northern Ireland in the context of the peace process and the improved security situation. Although a regular garrison of 5,000 British troops remains based in Northern Ireland, they no longer have a role in policing and may be deployed anywhere in the world. Policing in Northern Ireland is now the responsibility of the PSNI.

Recent Events

In light of the 2007 political agreement to restore Northern Ireland's devolved government, the transfer of policing and justice powers in 2010, and the extensive police reforms, many analysts view the implementation of the most important aspects of the Good Friday Agreement as having been completed. In late March 2011, the Northern Ireland Assembly and Executive concluded its first full term in office in 40 years.

Elections for a new devolved government were held in May 2011. The DUP and Sinn Fein retained their positions as the largest unionist and nationalist parties in the Assembly, resulting in the return of DUP leader Peter Robinson as First Minister and Sinn Fein's Martin McGuinness as Deputy First Minister. Observers noted that the 2011 elections were remarkable for their focus on "bread-and-butter" political and economic issues rather than "the Troubles." Although the unionist-nationalist divide still largely defines Northern Ireland's politics, with two parallel elections essentially taking place, 2011 election results indicate that some voters actually crossed traditional community lines in casting their second- and third-preference votes.¹⁶

In January 2016, Arlene Foster replaced Peter Robinson as DUP leader and First Minister; she is the first woman to hold this position. Elections for the next Assembly are due in May 2016. The DUP and Sinn Fein are widely expected to remain the largest parties in the Assembly and lead the next devolved government.

Despite the progress in Northern Ireland, tensions remain within the devolved government and between the unionist and nationalist communities. Some commentators point out that several issues related to the peace process are still outstanding. Many nationalists continue to press for more progress in the areas of human rights and equality, arguing in particular that Northern Ireland needs its own Bill of Rights and an Irish Language Act. Meanwhile, unionists remain concerned with how sectarian parades are managed. A series of events in 2014 and 2015 highlighted the fragility of relations between the unionist and nationalist communities and renewed concerns about the stability of the devolved government. Intertwined in the various controversies are also broader challenges in Northern Ireland's search for peace and reconciliation, which include addressing sectarian strife, paramilitary and dissident activity, and Northern Ireland's legacy of violence (often termed "dealing with the past").

¹⁵ Deborah McAleese, "Top Officer's 'Deep Concern' at Lack of Catholics Signing Up for Police Career in Northern Ireland," *Belfast Telegraph*, October 23, 2015.

¹⁶ Fianola Meredith, "Northern Ireland's Positive Apathy," *The Guardian*, May 7, 2011.

The Haass Initiative

In July 2013, the Northern Ireland Executive appointed former U.S. diplomat and special envoy for Northern Ireland Richard Haass¹⁷ as the independent chair of interparty talks aimed at tackling some of the most divisive issues in Northern Ireland society. In particular, Haass was tasked with setting out recommendations by the end of 2013 on dealing with the past and the sectarian issues of parading, protests, and the use of flags and emblems. At the end of December 2013, Haass released a draft proposal outlining the way forward in these areas, but was unable to broker a final agreement among the Northern Ireland political parties participating in the talks.¹⁸ (The specifics of the Haass proposals are discussed below in “Ongoing Challenges.”)

“On the Runs” Controversy

In early 2014, controversy arose over a past deal over “on the runs”—that is, individuals suspected of paramilitary offenses or escaped paramilitary prisoners. Under the terms of the 1998 Good Friday Agreement, anyone convicted of paramilitary crimes was eligible for early release from prison, but the accord did not cover the “on the runs.” Sinn Fein continued to press for a formal legal solution that would allow “on the runs” to return to Northern Ireland and other parts of the UK, but faced strong unionist opposition.

Given the political obstacles to establishing a formal mechanism to address the “on the runs,” in 2000, the UK government apparently reached an initial, informal accommodation with Sinn Fein to provide a degree of assurance to at least some “on the runs.” Under this agreement, UK authorities would review individual cases and issue letters to those that they determined did not face arrest or prosecution for paramilitary offenses on the basis of existing information. This “on the runs” scheme was not made public, however. It only came to light in February 2014, when a judge dismissed the murder case against suspected former IRA member John Downey for his role in the deadly 1982 London Hyde Park bombing after Downey produced a “letter of assurance” he received from UK officials in 2007 stating that he was not a wanted man.

The revelation of the “on the runs” deal—in which 192 republicans were reportedly told that they were “not wanted”—sparked outrage among many unionists, as did indications that the letter to Downey was apparently sent in error (while Downey was not considered a suspect by the Police Service of Northern Ireland, he was still wanted by London police). Although Sinn Fein asserted that the DUP and the other political parties were aware of the “on the runs” program, then-First Minister Robinson claimed that the DUP did not know about the deal and warned that he would resign unless the UK government held a full public inquiry. In response, Prime Minister David Cameron announced an independent review of the “on the runs” program led by a judge; this review would also seek to determine whether any other “letters of assurance” had been issued by mistake. Although evidence would not be heard in public, Robinson asserted that he was satisfied with the terms of the inquiry and would not resign.¹⁹

In July 2014, the independent review conducted by Lady Justice Heather Hallet was released. The Hallet review found that the “on the runs” scheme was lawful and that the letters did not provide

¹⁷ Haass served as President George W. Bush’s special envoy for Northern Ireland from 2001 to 2003; he is currently President of the U.S. Council on Foreign Relations.

¹⁸ For the full text of the December 31, 2013 draft agreement presented by Haass and his negotiating team, see <http://www.northernireland.gov.uk/haass.pdf>.

¹⁹ “Cameron Appoints Judge to Investigate On-the-Run Deals,” *Irish Times*, February 27, 2014; “On the Runs: Jonathan Powell Says Crisis Based on Misunderstanding,” BBC News, February 27, 2014.

amnesty; at the same time, it asserted that there were “significant systemic failures” in how the program was operated. The review also found that while the “on the runs” scheme was kept “below the radar” because of its political sensitivity, it was not “secret.” Former UK officials, including former Prime Minister Blair, have maintained that the peace process could have collapsed without the “on the runs” program.²⁰

The McConville Investigation

In early May 2014, the detention and questioning of Sinn Fein President Gerry Adams by the PSNI in connection to the 1972 IRA murder of Jean McConville served as another reminder of unresolved issues from “the Troubles.” Statements from two former IRA members, given as part of a Boston College oral history project, prompted a renewed police investigation into the murder of McConville (who the IRA mistakenly believed was an informant for the British Army). In the taped interviews, the former IRA members alleged that Adams was an IRA commander and had authorized McConville’s abduction and execution. Adams has long denied being a member of the IRA and has strongly refuted the claims made in the Boston College tapes regarding the McConville murder, noting that his accusers (now both dead) had disagreed with his support for the 1998 Good Friday Agreement and viewed him as a “sell out.”²¹

Sinn Fein supporters contended that the timing of Adams’ detention—just before local and European elections in the Republic of Ireland in which Sinn Fein was poised to do well—was politically motivated. Some Sinn Fein officials questioned whether the party could still support the PSNI; unionists accused Sinn Fein of trying to blackmail and bully the police service. The PSNI, as well as British and Irish officials, rejected accusations that the timing of Adams’ detention was political; some point out that Adams voluntarily presented himself for questioning and was therefore responsible himself for the timing. Adams was released without charge.²²

Budgetary Pressures, Welfare Reform, and the Stormont House Agreement

During the summer of 2014, the devolved government was tested by financial pressures and disagreement over UK-wide welfare reforms (passed by the UK parliament in February 2013 but which Sinn Fein and the SDLP opposed implementing in Northern Ireland). Northern Ireland also

²⁰ Gerry Moriarty, “Fallout over OTRs Report Unlikely to Bring Down Executive,” *Irish Times*, July 18, 2014; “OTR Letters: Tony Blair Says NI Peace Process Could Have Collapsed Without Scheme,” BBC News, January 13, 2015.

²¹ Between 2001 and 2006, researchers at Boston College conducted a total of 46 interviews with former republican and loyalist paramilitary members as part of the Belfast Project, which sought to record first-person, oral histories of “the Troubles” for future researchers of the conflict. Boston College pledged to the participants that their interviews would not be released until after their deaths. In March 2011, the British government, acting on a request from the PSNI, contacted the U.S. Department of Justice to subpoena Boston College for all materials related to two interviews by former IRA members Brendan Hughes and Dolours Price, in which they both reportedly discussed the McConville murder; a second subpoena was issued to Boston College in August 2011 for any and all materials from the Belfast Project related to the McConville case. In September 2013, a final court ruling forced Boston College to turn over 11 documents from the oral history archive to UK authorities. In May 2014, the PSNI announced it would seek access to the entire Boston College archive. For more information, see Katherine Q. Seelye, “A Heinous Crime, Secret Histories and a Sinn Fein Leader’s Arrest,” *New York Times*, May 1, 2014; Katrin Bennhold, “Northern Ireland Police Sue for Boston College Interviews,” *New York Times*, May 22, 2014; Kevin Cullen, “BC Exercise in Idealism Reopened Old Wounds,” *Boston Globe*, July 6, 2014.

²² “Gerry Adams Freed in Jean McConville Murder Inquiry,” BBC News, May 4, 2014; Steven Erlanger, “No Charges as Leader of Sinn Fein Is Released,” *New York Times*, May 4, 2014.

faced significant spending cuts given the imposition of austerity measures throughout the UK and a budgetary shortfall for its 2015-2016 fiscal year of £200 million (roughly \$302 million). About £90 million (\$136 million) of this budgetary shortfall was due to fines levied by the UK Treasury for the devolved government's failure to introduce the mandated welfare reforms.²³

Analysts contend that the welfare and budgetary disputes decreased public confidence in the devolved government's effectiveness and raised broader questions about its stability. In early September 2014, then-First Minister Robinson asserted that the current governing arrangements were "no longer fit for purpose" and called for new interparty discussions to improve Northern Ireland's institutions and decisionmaking processes.²⁴ A few weeks later, the UK government announced it would convene talks with Northern Ireland's main political parties (the DUP, Sinn Fein, the UUP, the SDLP, and the Alliance) on government stability and finances, as well as on the issues previously addressed by Richard Haass in 2013 (managing parades and protests, the use of flags and emblems, and dealing with the past).

On December 23, 2014, the Northern Ireland political parties and the British and Irish governments announced that a broad, multifaceted agreement had been reached that addressed financial and welfare reform; governing structures; and the contentious issues of parades, flags, and the past (see "Ongoing Challenges" for more information on these latter provisions). As part of the resulting "Stormont House Agreement," the five main political parties agreed to support welfare reform (with certain mitigating measures), balance the budget, address Northern Ireland's heavy economic reliance on the public sector, and reduce the number of Executive departments and Assembly members over the next few years to help streamline the workings of the devolved government and cut costs. The UK government pledged a financial package of almost £2 billion (roughly \$3 billion) to offset the impact of welfare cuts, reform the public sector, and fund several new bodies that would address past conflict-related incidents.²⁵

London and Dublin hailed the Stormont House Agreement as a welcome step forward. The five main Northern Ireland political parties also appeared largely satisfied with the new agreement, despite some varying degrees of reservation over certain details. Some Alliance and UUP members, for example, worried that the deal did not make greater progress toward resolving controversial parades, while Sinn Fein and the SDLP expressed disappointment that the agreement did not call for an Irish Language Act, a bill of rights for Northern Ireland, or a public inquiry into the 1989 murder of Belfast lawyer Patrick Finucane. Some observers also contended that the Stormont House Agreement appeared less detailed than the Haass initiative on the measures aimed at parading and dealing with the past, arguing that although it provided a blueprint on the way forward on these issues, much would depend on specific legislative proposals to be introduced by the UK government regarding the implementation of these aspects of the agreement.²⁶

In early 2015, as promised in the Stormont House Agreement, the devolved government brought forward a welfare reform bill to enact the required changes. On March 9, 2015, however, as the

²³ Mark Devenport, "Treasury Warned Northern Ireland Executive to Go into Red," BBC News, October 2, 2014; Vincent Boland, "Britain and the Cuts: Northern Ireland Budget Addresses Harsh Reality," *Financial Times*, November 12, 2014.

²⁴ "Peter Robinson Says Stormont No Longer Fit for Purpose," BBC News, September 9, 2014.

²⁵ The Stormont House Agreement and its financial annex are available at <https://www.gov.uk/government/publications/the-stormont-house-agreement>.

²⁶ "NI Talks: Broad Agreement Is Brokered on Some Key Issues," BBC News, December 23, 2014; Gerry Moriarty and Harry McGee, "Agreement Reached in Northern Ireland Talks," *Irish Times*, December 23, 2014; Henry McDonald, "Northern Ireland Parties Agree £2bn Deal to Secure Power-Sharing," *The Guardian*, December 23, 2014.

bill was nearing completion in the Assembly, Sinn Fein announced it would block the bill, accusing the DUP of reneging on commitments to fully protect current and future welfare claimants. Press reports indicate that Deputy First Minister McGuinness also asserted that more money from the UK government would be required to create an adequate offset fund to assist welfare recipients negatively affected by the reforms. The DUP responded that Sinn Fein's behavior was "dishonorable and ham-fisted."²⁷

The failure to resolve the welfare reform issue also stalled implementation of the other aspects of the Stormont House Agreement, including measures aimed at dealing with sectarian issues and the past. Some observers and analysts worried that the continued impasse was increasingly threatening to collapse the devolved government. On September 3, 2015, the UK and Irish governments decided to convene a new round of cross-party talks.

Lingering Paramilitary Concerns

Amid the ongoing crisis over welfare reform and the lack of progress on implementing the Stormont House Agreement, the devolved government was further rocked by the September 2015 arrest of senior Sinn Fein leader (and former IRA commander) Bobby Storey. Storey was arrested in connection with the August 2015 murder of ex-IRA member Kevin McGuigan (believed to be a revenge killing for the murder of another former IRA commander in May). Shortly after the McGuigan murder, PSNI Police Chief George Hamilton claimed that the IRA continued to exist (with some of its structures and operatives still "broadly in place"), but that the killing of McGuigan did not appear to have been sanctioned or directed by the IRA. Sinn Fein asserted that the IRA had completely "gone away" and no longer existed.²⁸ Storey and two others (described as "senior republicans") arrested as part of the McGuigan investigation were ultimately released without charge.

The McGuigan killing and Storey's arrest renewed lingering unionist concerns about continuing IRA activities and prompted the DUP and UUP to call for Sinn Fein to be excluded from the devolved government. When a vote to adjourn the Assembly failed, First Minister Peter Robinson announced on September 10, 2015, that he was "stepping aside" and that the other DUP ministers in the Executive Committee would resign; the only exception was DUP Finance Minister Arlene Foster, who Robinson said would remain in her post and take over as acting First Minister in a "gatekeeper role." This political maneuver was designed to avoid new Assembly elections being called, which would have occurred if Robinson had actually resigned. As the largest party in the power-sharing government, however, the DUP's withdrawal from the Executive Committee essentially brought the workings of the Assembly to a halt.

In response to the heightened concerns about paramilitary activity in Northern Ireland and the crisis in the devolved government, Secretary of State for Northern Ireland Theresa Villiers commissioned a study on the current status of republican and loyalist paramilitary groups. This review was drafted jointly by the PSNI and MI5 (the UK's domestic intelligence service). It was drawn from current intelligence and reviewed by three independent observers.

²⁷ "Sinn Fein Blocks Welfare Bill in Northern Ireland Assembly," BBC News, March 9, 2015; Gerry Moriarty, "Sinn Fein Accuses DUP of Reneging on Welfare Commitments," *Irish Times*, March 9, 2015.

²⁸ "Kevin McGuigan Murder: Provisional IRA Still Exists, Says PSNI Chief," BBC News, August 22, 2015; Peter Smyth, "Provisional IRA No Longer Engaged in Terror," *Irish Times*, August 22, 2015; "Sinn Fein's Gerry Adams Says IRA Has Gone Away," BBC News, August 23, 2015.

Published on October 20, 2015, the assessment confirmed that all the main paramilitary groups operating during “the Troubles” still exist, but that they remain on ceasefire and that the leadership of each group, “to different degrees,” is “committed to peaceful means to achieve their political objectives.”²⁹ The review asserted that although such groups continue to “organize themselves along militaristic lines,” none are planning or conducting terrorist attacks and they do not have significant capabilities to do so. At the same time, it concluded that individual members of paramilitary groups still represent a threat to national security; some have committed murders or other violence, and many are engaged in organized crime. The report further noted that “none of the leaderships” have complete control over the activities of their members and that “there is regular unsanctioned activity including behavior in direct contravention of leadership instruction.” The review observed that the most significant current terrorist threat in Northern Ireland is posed not by the paramilitary groups evaluated by the report but rather by dissident republicans—that is, paramilitary groups not on ceasefire that reject the 1998 Good Friday Agreement. The review described dissident loyalist paramilitary groups as posing another, albeit “smaller,” threat. (See “Remaining Paramilitary and Dissident Activity” for more information.)³⁰

Following the publication of this assessment on paramilitary groups, First Minister Robinson and the other DUP ministers resumed their posts in the Executive. The DUP maintained, however, that it was deeply concerned by many of the report’s findings but would return to working with Sinn Fein in the power-sharing institutions. First Minister Robinson noted, “I don’t want to give the impression that because Ministers are going back into post that the issue is resolved. The big issue is ... how we deal with the existence of paramilitary organizations and how we can have the implementation of the Stormont House Agreement.”³¹

The Fresh Start Agreement

After 10 weeks of talks in the fall of 2015 on the implementation of the Stormont House Agreement and the legacy of paramilitary activity, the British and Irish governments, the DUP, and Sinn Fein reached a new “Fresh Start Agreement” on November 17, 2015.³² The deal was broadly welcomed in Northern Ireland, although the other main Northern Ireland political parties—the SDLP, the UUP, and the Alliance Party—reportedly objected to some elements. Many Northern Ireland political leaders and human rights groups were also dismayed that negotiators failed to reach final agreement on establishing new institutions to deal with the past, as called for in the Stormont House Agreement.³³

²⁹ The assessment released in October 2015 focused on the following paramilitary groups: the Ulster Volunteer Force (UVF); the Red Hand Commando (RHC); the Ulster Defense Association (UDA, which also conducted attacks under the name of the Ulster Freedom Fighters, or UFF); the South East Antrim (SEA) group of the UDA; Loyalist Volunteer Force (LVF); the Irish Republican Army (IRA, also known as the Provisional Irish Republican Army, or PIRA); and the Irish National Liberation Army (INLA).

³⁰ The text of the October 2015 review on Northern Ireland paramilitary groups is available at Government of the UK, “Independent Report: Assessment on Paramilitary Groups in Northern Ireland,” October 20, 2015, at <https://www.gov.uk/government/publications/assessment-on-paramilitary-groups-in-northern-ireland>.

³¹ As quoted in Gerry Moriarty, “Villiers Says IRA Structures Remain But in Reduced Form,” *Irish Times*, October 20, 2015.

³² The Fresh Start Agreement is available at Government of the UK, “News Story: A Fresh Start for Northern Ireland,” November 17, 2015, at <https://www.gov.uk/government/news/a-fresh-start-for-northern-ireland>.

³³ See “Northern Ireland Political Crisis: Politicians and Key Figures React to Fresh Start Agreement,” BBC News, November 17, 2015.

A key part of the Fresh Start Agreement focused on welfare reform and improving the stability and sustainability of Northern Ireland's budget and governing institutions. The DUP and Sinn Fein agreed to allow the UK parliament to implement changes to the welfare system in Northern Ireland and on a four-year package of measures worth £585 million (roughly \$832 million) to soften the effects of the welfare and tax credit cuts (funded from the Northern Ireland budget). In exchange, the UK government pledged up to £500 million (about \$711 million) in new funding to tackle issues "unique to Northern Ireland," such as addressing security concerns raised by paramilitaries and dissident groups and removing Northern Ireland's "peace walls" (physical barriers that separate Protestant and Catholic neighborhoods). The new accord also confirmed institutional reforms originally outlined in the Stormont House Agreement. These reforms included reducing the size of the Assembly from its current 108 to 90 members (to have effect from the first Assembly election after the May 2016 election), cutting the number of government departments from 12 to 9, and making provision for an official opposition in the Assembly.

Paramilitary activity was the other main issue addressed in the Fresh Start Agreement. The new accord established "fresh obligations" on Northern Ireland's elected representatives to work together toward ending all forms of paramilitary activity and disbanding paramilitary structures. It also called for enhanced efforts to combat organized crime and cross-border crime. (See "Ongoing Challenges" for more information on these provisions in the Fresh Start Agreement.)

Ongoing Challenges

Although Northern Ireland has made considerable progress in the years since the 1998 Good Friday Agreement, the search for peace and reconciliation remains challenging, and broader issues persist. These issues include bridging sectarian divisions and managing key sticking points (especially parading, protests, and the use of flags and emblems); dealing with the past; curbing remaining paramilitary and dissident activity; and furthering economic development. As noted above, the 2013 Haass initiative, the 2014 Stormont House Agreement, and the 2015 Fresh Start Agreement have all attempted to tackle at least some aspects of these long-standing issues to varying degrees.

Sectarian Sticking Points: Parading, Protests, and the Use of Flags and Emblems

Observers suggest that Northern Ireland remains a largely divided society, with Protestant and Catholic communities existing in parallel. Reports indicate that the number of peace walls dividing Protestant and Catholic neighborhoods has actually increased since the signing of the Good Friday Agreement. Estimates of the number of peace walls vary depending on the definition used. Northern Ireland's Department of Justice recognizes 53 peace walls (as of 2013) for which it has responsibility; when other types of "interfaces" are included—such as fences, gates, and closed roads—the number of physical barriers separating Protestant and Catholic communities is nearly 100. A 2015 survey of public attitudes toward peace walls found that 30% of those interviewed want the walls to remain in place; it also found that more than 4 in 10 people have never interacted with anyone from the community living on the other side of the nearest peace wall. Furthermore, experts note that schools and housing estates in Northern Ireland remain mostly single-identity communities.³⁴

³⁴ "14 Years After Deal NI Still Very Divided New Report Suggests," BBC News, February 29, 2012; Peter Geoghegan, "Will Belfast Ever Have a Berlin Wall Moment and Tear Down Its Peace Walls?," *The Guardian*, (continued...)

Some analysts contend that sectarian divisions remain evident during the annual summer “marching season,” when many unionist parades commemorating Protestant history are held. Although the vast majority of these annual parades by unionist cultural and religious organizations are not contentious, some are held through or close to areas populated mainly by Catholics (some of whom perceive such parades as triumphalist and intimidating). During “the Troubles,” the marching season often provoked fierce violence. Commentators assert that the street violence and riots during the 2013 season were some of the worst in recent memory, although the 2014 and 2015 seasons were somewhat less intense. Many Protestant organizations view the existing Parades Commission that arbitrates disputes over parade routes as largely biased in favor of Catholics and have repeatedly urged its abolition.³⁵

Although the Hillsborough Agreement called for a new parading structure to be in place by December 2010, this process quickly stalled. In accordance with the timeline established in that agreement, the DUP-Sinn Fein-led Northern Ireland Executive proposed new parades legislation in mid-2010. This legislative proposal would have abolished the current Parades Commission and promoted local solutions to disputed marches. However, the Protestant Orange Order—a group at the center of many contentious parades in the past—opposed several elements of the plan and rejected it. The DUP asserted that it would not make sense to set up a new parading structure without the support of the Orange Order.³⁶

Frictions between the unionist and nationalist communities were also highlighted by a series of protests in late 2012–early 2013 following a decision to fly the union (UK) flag at Belfast City Hall only on designated days, rather than year-round (nationalist city councilors had originally wanted the flag removed completely but agreed to a compromise plan to fly it on certain specified days instead). The protests, mostly by unionists and loyalists, occurred in Belfast and elsewhere in Northern Ireland, and some turned violent; Northern Ireland leaders on both sides of the sectarian divide received death threats, and some political party offices were vandalized.³⁷

As mentioned previously, parading, protests, and the use of flags and emblems were discussed during the interparty talks led by Richard Haass in the fall of 2013. According to Haass, dealing with flags and symbols was the “toughest area of negotiations,” and the draft agreement proposed at the end of December 2013 noted that the parties had been unable to reach consensus on any new policies surrounding the display of flags or emblems. Instead, the Haass proposals called for establishing a commission to hold public discussions throughout Northern Ireland on the use of flags and emblems (among other issues) to try to find a way forward. The December 2014 Stormont House Agreement essentially endorsed this idea and asserted that a new Commission on Flags, Identity, Culture and Tradition would be set up by June 2015, composed of 15 members (with 7 to be appointed by Northern Ireland’s main political parties and 8 drawn from outside the government).

As for parading, the Haass proposals recommended transferring authority over parading from the Parades Commission to the devolved government, which would establish two new structures: a new Office for Parades, Select Commemorations, and Related Protests (to receive all event notifications and promote community dialogue and mediation); and a new, independent, seven-person Authority for Public Events Adjudication (to make decisions in cases where parading and

(...continued)

September 29, 2015; “Northern Ireland Interfaces: More Residents Want Peace Walls to Stay,” December 15, 2015.

³⁵ The Parades Commission was established in 1998 as an independent body to rule on disputed parades.

³⁶ “Parades Legislation on Hold over Orange Order Move,” BBC News, September 27, 2010.

³⁷ “Q&A: Northern Ireland Flag Protests,” BBC News, December 8, 2012.

protest disputes remained). The Haass proposals also called for establishing in law a code of conduct for both marchers and protesters to help ensure respectful behavior. In the Stormont House Agreement, the parties agreed that responsibility for parades and related protests should, in principle, be devolved to the Northern Ireland Assembly and that a new legislative proposal should be introduced by June 2015. The Stormont House Agreement, however, did not provide further specifics and did not reference the new parading institutions proposed by Haass.

As noted above, the crisis over welfare reform and paramilitary activity largely stalled implementation of the Stormont House Agreement in 2015. According to the Fresh Start Agreement of November 2015, the measures designed to address the issues of flags and parades will now go ahead. The Fresh Start Agreement calls for the Commission on Flags, Identity, Culture and Tradition to be established by March 2016. As for the new legislative proposal on parading and related protests, the Fresh Start Agreement asserts that a discussion paper is currently being prepared for Northern Ireland's Executive Committee. This paper is expected to outline options for the regulation of parades and related protests and evaluate how key outstanding issues, such as a code of conduct, could be addressed in the new legislation.

Dealing with the Past

Fully addressing the legacy of violence in Northern Ireland remains controversial. The Good Friday Agreement asserted that "it is essential to acknowledge and address the suffering of the victims of violence as a necessary element of reconciliation." In 2008, the Northern Ireland Assembly established a Commission for Victims and Survivors aimed at supporting victims and their families. Several legal processes for examining crimes stemming from "the Troubles" also exist. These include police investigations into deaths related to the conflict; investigations by the Police Ombudsman for Northern Ireland (PONI) of historical cases involving allegations of police misconduct; and public inquiries, such as the Saville inquiry (concluded in 2010) into the 1972 Bloody Sunday incident.

Critics argue that these various legal processes represent a "piecemeal" approach and give some deaths or incidents priority over others. Some observers point out that more than 3,000 conflict-related deaths have never been solved. In 2005, a Historical Enquiries Team (HET) was established within the PSNI to review over 3,200 deaths relating to the conflict between 1968 and 1998, but, despite the HET's efforts, progress was slow. Others note the expense and time involved with some of these processes; for example, the Bloody Sunday inquiry cost over \$300 million and took 12 years to complete. Some analysts and human rights advocates argue that Northern Ireland needs a comprehensive mechanism for dealing with its past, both to meet the needs of all victims and survivors and to contain costs.

At the same time, many commentators assert that there is no consensus in Northern Ireland on the best way to deal with the past. This is in large part because many unionists and nationalists continue to view the conflict differently and retain competing narratives. Recommendations issued in 2009 by the Consultative Group on the Past (set up by the UK government) were widely criticized for a variety of reasons by nearly all segments of Northern Ireland society.³⁸

Dealing with the past was a key focus of the talks chaired by Richard Haass in December 2013. Among other recommendations related to the past, the draft proposals put forward by Haass called for establishing two new bodies: (1) a Historical Investigations Unit (HIU) with expanded

³⁸ "What's the Future of NI's Troubled Past," BBC News, June 16, 2010; Gerry Moriarty, "Negative Reaction to Eames-Bradley Proposals," *Irish Times*, July 19, 2010.

powers to take over the work of both the HET and the historical unit of the Police Ombudsman dealing with past misconduct cases; and (2) an Independent Commission for Information Retrieval (ICIR) to enable victims and survivors to seek and privately receive information about conflict-related violence (those coming forward with information would be offered limited immunity but not amnesty). In addition, Haass envisioned that the proposed ICIR would be responsible for analyzing patterns or themes during “the Troubles” involving governments and paramilitary groups, such as alleged collusion. Despite the lack of final agreement, some Northern Ireland officials and analysts suggested that Haass made more progress in the area of the past than had been expected.³⁹

The December 2014 Stormont House Agreement largely endorsed the proposals suggested by Haass related to dealing with the past. It called for setting up an HIU to take forward outstanding cases from the HET process and the work of the Police Ombudsman. The HIU would be overseen by the Northern Ireland Policing Board and would aim to complete its work within five years of its establishment. The HIU would be established through UK legislation, and the UK government pledged to make “full disclosure” to the HIU. An ICIR would also be established by the British and Irish governments with a five-year mandate and would be entirely separate from the justice systems in each jurisdiction. The ICIR would not disclose information to law enforcement authorities, and any information provided to it would be inadmissible in criminal and civil proceedings; individuals who provide information, however, would not be immune to prosecution for any crime committed should evidentiary requirements be met by other means.

In addition, the Stormont House Agreement called for the creation of two other entities to help address the legacy of “the Troubles.” By 2016, the Northern Ireland Executive was expected to establish an Oral History Archive to provide a central place for people from all backgrounds to share experiences and narratives related to “the Troubles.” An Implementation and Reconciliation Group (IRG) would also be set up to oversee work on themes, archives, and information recovery in an effort to promote reconciliation and reduce sectarianism. Although the IRG would be an independent body, the Office of the First Minister and Deputy First Minister and the main political parties would nominate the 11 members. Under the terms of the Stormont House Agreement, up to £150 million (roughly \$226 million) was to have been provided over five years to help fund all four of these new bodies focused on dealing with the past.

On September 23, 2015, the Secretary of State for Northern Ireland published a policy paper outlining the UK government’s proposal for the legislation required to establish the HIU, the ICIR, and the Oral History Archive.⁴⁰ Amid the crisis in the devolved government, however, work on setting up these new bodies to deal with the past largely came to a standstill. Controversy also arose over the UK government’s assertion in its policy paper that “the HIU must protect information that, if [publicly] disclosed, would or would be likely to prejudice national security” and that “where the HIU proposes to disclose information of this nature, it will be required to refer the matter to the UK government, which may prevent disclosure, if necessary.” Victims groups and many nationalists strongly objected to such “national security caveats,” viewing them as essentially providing the British government with a veto over the release of information by the proposed HIU to bereaved families.

³⁹ John Mulgrew, “Final Draft on Dealing with Northern Ireland’s Past Released After Failure on Agreement,” *Belfast Telegraph*, December 31, 2013; “Northern Ireland: Richard Haass Talks End Without Deal,” BBC News, December 31, 2013.

⁴⁰ Available at Government of the UK, “Villiers Publishes Policy Paper on Northern Ireland (Stormont House Agreement) Bill 2015,” September 23, 2015, at <https://www.gov.uk/government/publications/villiers-publishes-policy-paper-on-northern-ireland-stormont-house-agreement-bill-2015>.

Divisions over such “national security exemptions” appear to be a key reason that a final deal on establishing the HIU (and the other bodies to deal with the past) was not possible in the Fresh Start Agreement. The UK government asserts that significant progress has been made on most aspects of the Stormont House Agreement related to dealing with the past but acknowledges that balancing government concerns about protecting security with the needs of victims and families remains a difficult and outstanding issue. In February 2016, Secretary of State Villiers stated that the proposed national security provisions have “led some to assume that the government will be constantly seeking to block the onward disclosure by the HIU of information to victims’ families and the public. This is simply not the case.” She went on to note that during the Fresh Start talks, the government offered a “significant compromise,” in which families would be told whether the government had required the HIU to withhold certain information, and that the families or the HIU director would have the right to challenge this decision in Northern Ireland’s High Court.⁴¹

Press reports indicate that victims groups and nationalists remain concerned that “national security” could be used to cover up criminal wrongdoing by state agents. Sinn Fein has reportedly argued that an international panel of judges should be appointed to hear any appeals, rather than the High Court.⁴² The British and Irish governments have pledged to continue their efforts to resolve the remaining issues related to implementing the “dealing with the past” provisions in the Stormont House Agreement.

Remaining Paramilitary and Dissident Activity

Although experts contend that the major paramilitary organizations active during “the Troubles” are now committed to the political process, the apparent continued existence of such groups and their engagement in criminality worries many in both the unionist and nationalist communities. As seen by the crisis triggered in September 2015 following the murder of a former IRA member and the arrest of a Sinn Fein leader, lingering concerns about potential remaining paramilitary activity continue to undermine trust among the political parties and confidence in the devolved government’s power-sharing institutions. Meanwhile, the threat posed by dissident republican and loyalist paramilitary groups opposed to the peace process also remains serious.

The Fresh Start Agreement sought to address some of the most pressing concerns about the main paramilitary groups in Northern Ireland. Among the measures agreed, the accord established

- A new set of principles for members of the Executive and Assembly that commits them to work toward the disbandment of all paramilitary organizations and their structures, to challenge paramilitary attempts to control communities, and to take no instructions from such groups;
- A three-member panel to prepare a recommendations by the end of May 2016 for disbanding paramilitary groups;
- A new, four-member international body to monitor paramilitary activity and to report annually on progress toward ending paramilitary activity. Appointees will be nominated by the British and Irish governments and the Northern Ireland Executive; and

⁴¹ Speech by Secretary of State for Northern Ireland Theresa Villiers, “A Way Forward for Legacy of the Past in Northern Ireland,” February 11, 2016, at <https://www.gov.uk/government/speeches/villiers-a-way-forward-for-legacy-of-the-past-in-northern-ireland>.

⁴² Anne Cadwallader, “Bereaved Families Have a Right to the Truth,” *Irish Times*, December 31, 2015; “Villiers Meets U.S. Lawyers in Bid to Resolve National Security Veto Dispute,” *Belfast Telegraph*, February 17, 2016.

- A cross-border Joint Agency Task Force to bring together officials from the PSNI and UK and Irish police, intelligence, and tax agencies to tackle paramilitarism and organized crime throughout the island of Ireland.

Some Northern Ireland politicians and analysts suggest that some of these proposals do not go far enough. Press reports indicate that some unionists were unhappy that the new paramilitary monitoring body—unlike the former Independent Monitoring Commission—will not have the power to recommend the exclusion of political parties from the Assembly should it be determined that the parties are not living up to their commitments to use exclusively peaceful means to pursue their political objectives.⁴³ As part of the Fresh Start Agreement, the UK government pledged a total of £188 million (roughly \$267 million) more in security-related spending, with the bulk of this amount (£160 million, or \$228 million) going to the PSNI over the next five years to improve its ability to tackle dissident groups, remaining paramilitarism, and organized crime.

As discussed previously, however, security assessments indicate that dissident groups (especially dissident republican groups) opposed to the peace process currently represent the greatest terrorist threat in Northern Ireland. However, these dissident groups do not have the same capacity to mount a sustained terror campaign as the IRA did between the 1970s and the 1990s. Most of the dissident republican groups are small in comparison to the IRA during the height of the conflict, and the actual number of individuals actively involved has not grown significantly in recent years, although such dissident republican groups have proliferated.⁴⁴

The Continuity IRA, the Real IRA, and Óglaigh na hÉireann (believed to be a splinter faction of the Real IRA) are believed to be recruiting members, acquiring weapons, targeting potential victims, and engaging in criminal activity. In April 2011, a young Catholic police officer was killed when a bomb exploded under his private car. Dissident republicans are suspected of carrying out the bombing, as well as dozens of other similar attacks on police officers over the last several years (in most of these other attacks, the bombs failed to detonate, although some resulted in serious injuries).

In November 2012, a Protestant prison officer was shot and killed while driving to work; a new dissident republican group calling itself “the IRA” claimed responsibility for this murder. It is believed that this new group was formed during the summer of 2012 and that it brings together several dissident republican individuals and organizations (including the Real IRA and the Republican Action Against Drugs, or RAAD). The end of 2013 also saw an increase in the number of attempted bomb attacks by dissident republican groups, especially in and around Belfast during the holiday shopping season; no one was seriously injured. In February 2014, the “new IRA” claimed responsibility for sending seven letter bombs to army recruitment centers throughout England (they were all safely disposed).⁴⁵

In 2015, dissident republican groups remained active, continuing to target police, prison officers, and other members of the security services in particular. Although the UK government’s October 2015 assessment of paramilitary organizations did not focus on the dissident groups opposed to the peace process, it described the activities of dissident republicans as posing a “severe” threat to Northern Ireland’s security and stability and noted that “at any given time, a terrorist attack is

⁴³ Mark Devenport, “NI Politicians Pull Back from Precipice with Fresh Start Deal,” BBC News, November 17, 2015.

⁴⁴ David McKittrick, “Northern Ireland: The Peace Process and the Dissident Menace,” *The Independent*, February 18, 2014.

⁴⁵ “New IRA Group Claims It Murdered Prison Officer,” BBC News, November 12, 2012; “Fire Bomb Attack in Belfast City Centre Shows Serious Upsurge in Dissident Republican Activity,” *Belfast Telegraph*, December 17, 2013.

highly likely.”⁴⁶ Concerns also exist that dissident republicans could seek to ramp up their activities ahead of the 100th anniversary of the April 1916 Easter Rising against British rule in Ireland (viewed as a key event that ultimately led to the Republic of Ireland’s independence from the UK and the establishment of Northern Ireland in 1921). Dissident republicans are suspected of detonating a bomb under a prison van on March 4, 2016, seriously injuring one officer. On March 6, 2016, police discovered what they believe to be a cache of terrorist weapons in a park in County Antrim; they described the find as consisting of “a significant amount of bomb making components including partially constructed devices and a small quantity of explosives.”⁴⁷

Remaining loyalist groups are generally perceived as posing less of a threat than dissident republicans at present, but some members are heavily engaged in a wide range of serious crimes. Reports suggest that some loyalist elements continue to recruit young people and possibly seek weapons, both of which are inconsistent with the ceasefire and decommissioning commitments of the main loyalist groups. Northern Ireland police officials also claim that loyalist paramilitaries orchestrated some of the violence related to the flag protests in 2012-2013.⁴⁸

Economic Issues

Many assert that one of the best ways to ensure a lasting peace in Northern Ireland and deny dissident groups new recruits is to promote continued economic development and further ensure equal opportunity for Catholics and Protestants. Despite the 2008-2009 global recession, Northern Ireland’s economy has improved significantly since the mid-1990s. For example, between 1997 and 2007, Northern Ireland’s economy grew 5.6% on average (marginally above the UK average of 5.4%) and unemployment in Northern Ireland dropped from 8.8% in 1997 to 4.3% in 2007. Although unemployment in Northern Ireland has increased recently, it currently stands at 5.8% and remains comparatively low relative to previous decades (over 17% in the late 1980s). Economic growth in Northern Ireland is forecasted to be 1.9% in 2016.⁴⁹

Northern Ireland also has made strides in promoting equality in its workforce. The gap in economic activity rates between Protestants and Catholics has shrunk considerably since 1992 (when there was an 11 percentage point difference) and has largely converged in recent years (in 2014, the economic activity rates of Protestants and Catholics were 72% and 71%, respectively). Between 1992 and 2014, the number of economically active Catholics increased by 118,000, while the number of economically active Protestants decreased by 26,000. In addition, the percentage point gap in unemployment rates between the two communities has decreased from 9% in 1992 to 2% in 2014.⁵⁰

At the same time, economic challenges persist. Income earned and living standards in Northern Ireland remain below the UK average. Northern Ireland also has both a high rate of economic inactivity (27%) and a high proportion of working-age individuals with no qualifications. Studies indicate that the historically poorest areas in Northern Ireland (many of which bore the brunt of

⁴⁶ The text of the October 2015 review on Northern Ireland paramilitary groups is available at <https://www.gov.uk/government/publications/assessment-on-paramilitary-groups-in-northern-ireland>.

⁴⁷ “Carnfunnock Country Park: Terrorist Hide Including Bomb Parts and Explosives Found,” BBC News, March 6, 2015.

⁴⁸ “Loyalist Paramilitaries Behind Some Northern Ireland Trouble,” BBC News, December 8, 2012.

⁴⁹ Northern Ireland Executive Economic Strategy, *Consultation on Priorities for Sustainable Growth and Prosperity*, January 2011; Northern Ireland Department of Enterprise, Trade, and Investment, *Economic Commentary*, October 2015; Northern Ireland Statistics and Research Agency, *Northern Ireland Labour Market Report*, February 2016.

⁵⁰ Office of the First Minister and Deputy First Minister, *Labour Force Survey Religion Report 2014*, February 2016.

“the Troubles”) remain so, and that many of the areas considered to be the most deprived are predominantly Catholic.⁵¹

To improve Northern Ireland’s economic recovery and strengthen its long-term performance, Northern Ireland leaders are seeking to promote export-led growth, decrease Northern Ireland’s economic dependency on the public sector by growing the private sector, and attract more foreign direct investment. In December 2013, the Northern Ireland Executive launched a new initiative aimed at getting 300,000 more people into work over the next 10 years, in part by establishing incentive schemes for employers.⁵² Reducing Northern Ireland’s economic dependency on the public sector (which accounts for about 70% of the region’s gross domestic product and employs roughly 30% of its workforce) and devolving power over corporation tax from London to Belfast to help increase foreign investment were key issues addressed in the recent cross-party negotiations. The November 2015 Fresh Start Agreement sets April 2018 as the target date for introducing a devolved corporate tax rate of 12.5% in Northern Ireland (the same rate as in the Republic of Ireland).

U.S. Policy

Successive U.S. Administrations have viewed the Good Friday Agreement as the best framework for a lasting peace in Northern Ireland. The Clinton Administration was instrumental in helping the parties forge the agreement, and the Bush Administration strongly backed its full implementation. U.S. officials welcomed the end to the IRA’s armed campaign in 2005 and the restoration of the devolved government in 2007.

Like its predecessors, the Obama Administration has continued to offer U.S. support for the peace process. In October 2009, then-U.S. Secretary of State Hillary Clinton visited Northern Ireland, addressed the Assembly, and urged Northern Ireland’s leaders to reach an agreement on the devolution of policing and justice. Following the February 2010 deal on the devolution of these powers, President Obama stated that the resulting Hillsborough Agreement was an “important step on the pathway to greater peace and prosperity for all communities on the island.”⁵³ In June 2013, President Obama visited Northern Ireland in the context of a G8 summit meeting and noted that the United States would always “stand by” Northern Ireland.⁵⁴ In July 2013, Vice President Joseph Biden expressed U.S. support for the launch of the interparty talks led by Richard Haass. In October 2014, U.S. Secretary of State John Kerry appointed former U.S. Senator Gary Hart to serve as the U.S. special representative on Northern Ireland and to play a “direct, on-the-ground diplomatic role.”⁵⁵ The Obama Administration welcomed the conclusion of both the December 2014 Stormont House Agreement and the November 2015 Fresh Start Agreement.⁵⁶

⁵¹ Northern Ireland Statistics and Research Agency, *Northern Ireland Multiple Deprivation Measure 2010 Report*, May 2010.

⁵² Northern Ireland Executive, *Economic Strategy: Priorities for Sustainable Growth and Prosperity*, March 2012; “Stormont Launches 10-Year Plan To Tackle Economic Inactivity,” BBC News, December 3, 2013.

⁵³ “President Obama Welcomes NI Justice Deal,” BBC News, February 5, 2010.

⁵⁴ “G8 Summit: U.S. Will Stand by Northern Ireland, Says Obama,” BBC News, June 17, 2013.

⁵⁵ U.S. Department of State, “Kerry on New Representative for Northern Ireland Issues,” press release, October 21, 2014.

⁵⁶ White House, “Statement by the President on the Stormont House Agreement in Northern Ireland,” press release, December 23, 2014; Simon Carswell, “Obama Administration Praises Northern Ireland Deal,” *Irish Times*, November 18, 2015.

Many Members of Congress also actively support the peace process. Encouraged by progress on police reforms, several Members prompted the Bush Administration in December 2001 to lift a ban on contacts between the FBI and the new PSNI. Congress had initiated this prohibition in 1999 because of the former RUC's human rights record. In recent years, congressional hearings have focused on the peace process, policing reforms, human rights, and the status of public inquiries into several past murders in Northern Ireland in which collusion between the security forces and paramilitary groups is suspected; these murders have included the 1989 slaying of Belfast attorney Patrick Finucane and the 1997 killing of Raymond McCord, Jr.⁵⁷

On the economic front, the United States is an important source of investment for Northern Ireland. Between 2002 and 2007, for example, capital investment by U.S.-based companies totaled \$1.1 billion, and created over 4,000 jobs in Northern Ireland.⁵⁸ Between 2009 and 2011, a special U.S. economic envoy to Northern Ireland worked to further economic ties between the United States and Northern Ireland and to underpin the peace process by promoting economic prosperity. In October 2010, the U.S. government hosted an economic conference in Washington, DC, aimed at attracting more U.S. investment to Northern Ireland.

International Fund for Ireland

The United States has provided aid to the region through the International Fund for Ireland (IFI), which was created in 1986. Although the IFI was established by the British and Irish governments based on objectives in the Anglo-Irish Agreement of 1985, the IFI is an independent entity. The IFI supports economic regeneration and social development projects in areas most affected by the civil unrest in Northern Ireland and in the border areas of the Republic of Ireland; in doing so, it has also sought to foster contact, dialogue, and reconciliation between nationalists and unionists. The United States has contributed more than \$530 million since the IFI's establishment, roughly half of total IFI funding.⁵⁹ The European Union (EU), Canada, Australia, and New Zealand also have provided funding for the IFI. During the 1980s and 1990s, U.S. appropriations for the IFI averaged around \$23 million annually; in the 2000s, U.S. appropriations averaged \$18 million each year.

According to the Fund, the vast majority of projects that it has supported with seed funding have been located in disadvantaged areas that have suffered from high unemployment, a lack of facilities, and little private sector investment. Since 1986, the IFI has aided over 5,800 projects across Northern Ireland and the southern border counties, in sectors such as tourism, urban and rural development, agriculture, technology, and business and community development. Over the

⁵⁷ See, for example, House Foreign Affairs Committee, Subcommittee on International Organizations, Human Rights and Oversight, "Fulfilling the Promise of Peace: Human Rights, Peace and Reconciliation in Northern Ireland and Bosnia," 111th Congress, September 16, 2010; Commission on Security and Cooperation in Europe, "Northern Ireland: Why Justice in Individual Cases Matters," 112th Congress, March 16, 2011; Commission on Security and Cooperation in Europe, "Prerequisites for Progress in Northern Ireland," 112th Congress, March 21, 2012; House Foreign Affairs Committee, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations, "Recent Developments in the Investigation of the Murder of Human Rights Attorney Patrick Finucane," 113th Congress, May 15, 2013; House Foreign Affairs Committee, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations, and Subcommittee on Europe, Eurasia, and Emerging Threats, "The Northern Ireland Peace Process Today: Attempting to Deal with the Past," 113th Congress, March 11, 2014; Commission on Security and Cooperation in Europe, "Northern Ireland: Stormont, Collusion, and the Finucane Inquiry," 114th Congress, March 18, 2015.

⁵⁸ Northern Ireland Department of Enterprise, Trade, and Investment, *FDI Research: Final Report*, February 2008.

⁵⁹ CRS correspondence with the U.S. Agency for International Development, July 2014. The Anglo-Irish Agreement Support Act of 1986 (P.L. 99-415) authorizes U.S. contributions to the IFI.

years, IFI-supported projects have helped create a total of 55,000 direct and indirect jobs. In 2006, amid an improved economic situation, the IFI released a five-year “Sharing this Space” program, in which the IFI announced that it would begin shifting its strategic emphasis away from economic development and toward projects aimed at promoting community reconciliation and overcoming past divisions.⁶⁰

Successive U.S. Administrations and many Members of Congress have strongly backed the IFI as a means to promote economic development and encourage divided communities to work together. Support for paramilitary groups in Northern Ireland has traditionally been strongest in communities with high levels of unemployment and economic deprivation. Thus, many observers have long viewed the creation of jobs and economic opportunity as a key part of resolving the conflict in Northern Ireland and have supported the IFI as part of the peace process. In recent years, many U.S. officials and Members of Congress also encouraged the IFI to place greater focus on reconciliation activities, and were pleased with the IFI’s decision to do so in 2006.

However, critics have questioned the IFI’s effectiveness over the years, viewing some IFI projects as largely wasteful and unlikely to bridge community divides in any significant way. Others suggest that the IFI was never intended to continue in perpetuity. Some also argue that it is now time to move the U.S.-Ireland relationship onto a more mature and equal footing, and that continued U.S. development assistance undermines this goal.

Between FY2006 and FY2011, neither the Bush nor the Obama Administration requested funding for the IFI in the President’s annual budget request. Administration officials maintained that the lack of a funding request for the IFI did not signal a decreased U.S. commitment to Northern Ireland; rather, they asserted that the IFI was expected to begin winding down as an organization. The 2006 “Sharing this Space” program was intended as the “last phase” of the IFI, and in its 2009 Annual Report, the IFI stated that it would no longer be seeking contributions from its donors. Despite the lack of an Administration request, Congress continued to appropriate funding for the IFI between FY2006 and FY2010 (\$17 million for FY2010), viewing these contributions as an important and tangible sign of the ongoing U.S. commitment to the peace process.

In FY2011, however, amid the U.S. economic and budget crisis, some Members of Congress began to call for an end to U.S. funding for the IFI as part of a raft of budget-cutting measures. Many asserted that U.S. contributions to the IFI were no longer necessary given Ireland and Northern Ireland’s improved political and economic situation (relative to what it was in the 1980s). The sixth FY2011 continuing resolution (P.L. 112-6) did not specify an allocation for the IFI, nor did the final FY2011 continuing resolution (P.L. 112-10, the Department of Defense and Full-Year Continuing Appropriation Act of 2011).

Other Members of Congress have continued to support U.S. funding for the IFI, noting the recent financial woes in Ireland and Northern Ireland, increasing concerns about the possibility of dissident violence, and ongoing sectarian tensions in the region. They point out that in light of these evolved circumstances, the IFI itself has reversed course; recent IFI statements suggest that the IFI will continue functioning for the near term and is hoping for further financial contributions from its donors. Press reports indicate that the British and Irish governments also support the IFI’s continuation, as does Northern Ireland’s Executive.⁶¹ Subsequent to the FY2011 budget deliberations, the U.S. Administration allocated \$2.5 million from FY2011 Economic

⁶⁰ For more information, see the IFI’s website: <http://internationalfundforireland.com>.

⁶¹ Susan Falvella Garraty, “Gulf Apparent as IFI Goes Another Round,” *Irish Echo*, December 22, 2010; Niall Stange, “U.S. Cuts Plan Puts Ireland Fund Under Pressure,” *Irish Times*, February 15, 2011; Ben Pershing, “Funding Irish Group Sparks Earmark Debate,” *Washington Post*, May 23, 2011.

Support Fund (ESF) resources to the IFI in the form of a grant for specific IFI activities that support peace and security in Ireland and Northern Ireland.

For FY2012, the Administration requested \$2.5 million in ESF funding for the IFI in its annual budget request, asserting that “a permanent political settlement in Northern Ireland remains a priority foreign policy goal of the United States” and that “cross-community relations continue to be hampered by a lack of economic development and high unemployment.” The FY2012 budget request also noted the increase in sectarian-driven hate crimes and paramilitary-style shootings and assaults in Northern Ireland over the last few years, and that U.S. assistance would seek to counter these negative trends “by addressing the root causes of violence and intolerance.”⁶² For similar reasons, in its FY2013 and FY2014 budget requests the Administration also proposed \$2.5 million for the IFI, as part of its ESF request for the Europe and Eurasia region aimed at promoting peace and reconciliation programs.⁶³

The Administration has not requested funding for the IFI since its FY2014 budget request, and foreign operations spending measures have not included a specific allocation for the IFI since FY2010. U.S. officials assert that the United States continues to strongly support Northern Ireland’s efforts to build a vibrant economy and enduring peace. U.S. funding provided between FY2011 and FY2014 enabled the United States to meet an existing \$7.5 million commitment to the IFI’s Peace Impact Program, targeting those communities in Ireland and Northern Ireland most prone to dissident recruitment and activity.⁶⁴

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⁶² See U.S. Department of State, *FY2012 Congressional Budget Justification for Foreign Operations, Annex: Regional Perspectives*, pp. 497-498, available at <http://www.state.gov/documents/organization/158268.pdf>.

⁶³ See U.S. Department of State, *FY2013 Congressional Budget Justification for Foreign Operations, Annex: Regional Perspectives*, pp. 505-506, available at <http://www.state.gov/documents/organization/185015.pdf>; and U.S. Department of State, *FY2014 Congressional Budget Justification for Foreign Operations, Annex: Regional Perspectives*, pp. 421-422, available at <http://www.state.gov/documents/organization/208291.pdf>.

⁶⁴ CRS correspondence with the U.S. Agency for International Development, July 2014.

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