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Northern Ireland Peace Process: Background and Challenges

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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 one of four component "nations" of the United Kingdom (UK). The conflict, often referred to as "the Troubles," has its origins in the 1921 division of Ireland and has reflected a struggle between different national, cultural, and religious identities. Protestants in Northern Ireland (48%) largely define themselves as British and support remaining part of the UK (*unionists*). Most Catholics in Northern Ireland (45%) consider themselves Irish, and many desire a united Ireland (*nationalists*).

On April 10, 1998, the UK and Irish governments and key Northern Ireland political parties reached a negotiated political settlement. 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; it also 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 1998, full implementation of the peace accord has been challenging. For many years, decommissioning and police reforms were key sticking points that generated instability in the devolved government. In 2007, however, the hard-line Democratic Unionist Party (DUP) and Sinn Fein, the associated political party of the Irish Republican Army (IRA), reached a landmark power-sharing deal.

Although many analysts view implementation of the most important aspects of the Good Friday Agreement as having been completed, tensions remain in Northern Ireland and distrust persists between the unionist and nationalist communities and their respective political parties. In January 2017, the devolved government led by the DUP and Sinn Fein collapsed, prompting snap Assembly elections in March 2017. Amid a renewable energy scandal involving DUP leader Arlene Foster and unease in much of Northern Ireland about "Brexit"—the UK's expected exit from the European Union (EU)—Sinn Fein made significant electoral gains. Negotiations to form a new power-sharing government have been unsuccessful to date.

Northern Ireland continues to face a number of broader challenges in its search for peace and reconciliation. These challenges include reducing sectarian strife, 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. Brexit also may have significant political and economic repercussions for Northern Ireland. The future of the border between Northern Ireland and the Republic of Ireland was a central issue in the UK's withdrawal negotiations with the EU and has posed a key stumbling block to approving the withdrawal agreement in the UK Parliament. Brexit also has renewed questions about Northern Ireland's status within the UK in the longer term.

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 116th 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%) consider 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 known 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.

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

[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 encompasses about five-sixths of the island of Ireland; Northern Ireland, with approximately 1.9 million people, is composed of six counties and encompasses 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.

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 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. Negotiations on many of these areas had been 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.

Figure 1. Map of the United Kingdom of Great Britain and Northern Ireland and the Republic of Ireland

Source: Graphic created by CRS using data from Esri (2017).

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, which had 108 seats at that time, 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.

Implementing the Peace Agreement

Despite a much-improved security situation since the signing of the Good Friday Agreement in 1998, full implementation has been difficult. For years, 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 sectarian strife between Protestants and Catholics also helped to 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 because of unionist concerns about 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." Unionists argued, however, that Sinn Fein could not assume its ministerial posts on the Executive Committee until the IRA had surrendered at least some of its weapons. Sinn Fein countered that the Good Friday Agreement did not specify a start date for decommissioning. The IRA had been observing a cease-fire since 1997, but 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. 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 UUP party leader by someone less supportive of, if not opposed to, the peace agreement. After 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. Negotiations led by the British and Irish governments to restore the devolved government proved difficult. Finally, in late October 2001, the IRA announced that it had put a quantity of arms, ammunition,

[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.

and explosives "beyond use" to "save the peace process." The UUP agreed to rejoin the Executive, and the Assembly reconvened in November 2001. Trimble was reelected First Minister, and Mark Durkan, the new leader of the SDLP, was elected Deputy First Minister.

In April 2002, the IRA carried out a second act of decommissioning. Still, unionists continued to worry about the IRA's long-term commitment to the peace process. In early October 2002, police raided Sinn Fein's Assembly offices and arrested four officials as part of an investigation into a suspected IRA spy ring. Both the UUP and the DUP threatened to withdraw from the government unless Sinn Fein was expelled. With the political process in turmoil, London once again suspended the devolved government and reinstated direct rule on October 14, 2002.

2003-2007: The Struggle to Restore Devolution

Despite the suspension of the devolved government, 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 hard-liners 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.

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. In April 2005, Sinn Fein leader Gerry Adams effectively called on the IRA to abandon violence and pursue politics as an "alternative" to "armed struggle."

In July 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. In September 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.

With no real progress on restoring Northern Ireland's devolved government, then-UK Prime Minister Tony Blair and then-Irish Prime Minister Bertie Ahern called an all-party meeting in Scotland in October 2006. 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 devolved 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. 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.

On March 26, 2007, Paisley and Adams met for the first time ever and announced a deal to form a power-sharing government on May 8, 2007. Observers contended that the image of Paisley and

Adams sitting at the same table was unprecedented, as were the statements of both leaders pledging to work toward a better future for "all" the people of Northern Ireland.[5]

On May 8, 2007, Paisley and Sinn Fein's chief negotiator, Martin McGuinness, were sworn in as First Minister 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. At the same time, tensions continued to persist within the devolved government and between the unionist and nationalist communities.

2008-2010: The Transfer of Policing and Justice Powers

At the time of the Good Friday Agreement's signing, the parties had been unable to reach an accord on the devolution of the sensitive matters of policing, prisons, and the criminal justice system. Consequently, the parties agreed to postpone the devolution of policing and justice powers until an undetermined point in the future. The 2006 St. Andrews Agreement called for the devolution of policing and justice powers by May 2008, but the DUP and Sinn Fein remained at odds over this timeline. The DUP maintained that May 2008 was merely an aspirational date to which it was not committed.

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. Executive Committee meetings resumed in late November 2008 following a DUP-Sinn Fein agreement on a road map for devolving authority for policing and justice affairs. As part of the road map, 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.[6]

Nevertheless, progress on transferring police and justice powers to the devolved government remained slow. Nationalists increasingly warned that the failure to do so could lead to renewed political instability. In late January 2010, then-British Prime Minister Gordon Brown 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, the DUP and Sinn Fein announced that they had reached the Hillsborough Agreement, setting April 12, 2010, as the date for the devolution of policing and justice authority from London to Belfast. As part of the deal, the Hillsborough Agreement also established a timeline for developing a new mechanism to address how contentious sectarian parades in the region were managed. 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.

[5] 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.

[6] 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.

Police Reforms

Police reforms have long been recognized as a key element in achieving a comprehensive peace in Northern Ireland. 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 September 1999, this independent commission (the so-called 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).[7] Unionists responded negatively, but nationalists were mostly positive.

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 recruitment of Catholics and Protestants, and oversight responsibilities. The Police (Northern Ireland) Bill became law in November 2000. Recruitment for the future Police Service of Northern Ireland (PSNI) began in March 2001, but it was unclear whether the SDLP or Sinn Fein would support it 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 antiterrorist "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.

Following the suspension of Northern Ireland's devolved institutions in October 2002, Sinn Fein asserted 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 reestablishment of the devolved government.

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

[7] 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.

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.[8]

In recent years, 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 community but also because of 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 between 2013 and 2015, only 77 were Catholic. Following a PSNI review of the recruitment process in 2016, the PSNI introduced a number of procedural changes in 2017 to help attract more Catholics (and more women).[9]

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 worldwide. Policing in Northern Ireland is now the responsibility of the PSNI.

Current Crisis in the Devolved Government

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 March 2011, the Northern Ireland Assembly and Executive concluded its first full term in office in 40 years. The regularly scheduled Assembly elections in May 2011 and May 2016 produced successive power-sharing governments led by the DUP and Sinn Fein.

Nevertheless, deep distrust persists between unionists and nationalists and their respective political parties. A series of events over the past few years—including protests over the use of flags and emblems, a crisis over implementing welfare reform, a controversy over a past deal for republican "on the runs," and the arrest of a Sinn Fein leader in connection with the murder of a former IRA member—have highlighted the fragility of community relations and periodically threatened the stability of the devolved government. In January 2017, after only 10 months in office, the devolved government led by First Minister Arlene Foster of the DUP and Deputy First Minister Martin McGuinness of Sinn Fein collapsed, prompting snap Assembly elections.

The March 2017 Snap Assembly Elections

The immediate cause of the devolved government's collapse in January 2017 was a scandal over flaws in a renewable energy program (the Renewable Heat Incentive, or RHI), initially overseen by First Minister Foster when she served as Northern Ireland's Enterprise Minister in 2012. The problems in the RHI, which sought to increase consumption of heat from renewable energy sources by offering businesses financial incentives to do so, are expected to cost Northern Ireland taxpayers £490 million (roughly $600 million). Sinn Fein called for Foster to temporarily stand

[8] "Police 50-50 Recruiting System Is to End," BBC News, March 28, 2011.

[9] Deborah McAleese, "Top Officer's 'Deep Concern' at Lack of Catholics Signing Up for Police Career in Northern Ireland," *Belfast Telegraph*, October 23, 2015; Vincent Kearney, "PSNI Aims to Recruit 300 New Officers," BBC News, October 23, 2017.

aside as First Minister while an investigation was conducted into the energy scheme; she refused, and McGuinness resigned as Deputy First Minister in protest.[10]

Under the rules governing Northern Ireland's power-sharing arrangements, if either the First Minister or the Deputy First Minister resigns (without a replacement being nominated), the government cannot continue and new elections must be held. New elections were called for March 2, 2017. Arlene Foster led the DUP's campaign, but McGuinness stepped down as Sinn Fein's northern leader due to health reasons (he passed away a few weeks after the election). Michelle O'Neill succeeded McGuinness as Sinn Fein's leader in Northern Ireland.

Tensions with the DUP on several issues besides the RHI scandal likely contributed to Sinn Fein's decision to force snap Assembly elections. The elections were called amid continued uncertainty over the implications for Northern Ireland of "Brexit"—the UK's pending exit from the European Union (EU). The DUP was the only major Northern Ireland political party to back Brexit ahead of the June 2016 referendum on EU membership, and Northern Ireland voted 56% to 44% against leaving the EU (the UK overall voted in favor, 52% to 48%). Other points of contention included the introduction of a potential Irish Language Act—a long-standing nationalist demand to give the Irish language the same official status as English in Northern Ireland—and legalizing same-sex marriage. Both measures are supported by Sinn Fein but opposed by the DUP.[11]

As seen in **Table 1**, the number of Northern Ireland Assembly seats contested in 2017 was 90 rather than 108 because of previously agreed reforms to reduce the size of the Assembly.

Table 1. Northern Ireland: Members of the Legislative Assembly (MLAs)

(election results)

Political Party	2016	2017
Democratic Unionist Party (DUP; hard-line unionist, conservative)	38	28
Sinn Fein (SF; hard-line nationalist, left-wing)	28	27
Social Democratic and Labor Party (SDLP; moderate nationalist, center-left)	12	12
Ulster Unionist Party (UUP; moderate unionist, center-right)	16	10
Alliance Party of Northern Ireland (APNI; nonsectarian, centrist/liberal)	8	8
Green Party (nonsectarian; left-wing)	2	2
People Before Profit Alliance (PBPA; nonsectarian, left-wing)	2	1
Traditional Unionist Voice (TUV; hard-line unionist, right-wing)	1	1
Independent (unionist)	1	1
Total	**108**	**90**

Source: BBC, "NI Election 2016: Results," at http://www.bbc.com/news/election/2016/northern_ireland/results, and BBC, "NI Election 2017: Results," at http://www.bbc.com/news/election/ni2017/results.

[10] "RHI Scandal: RHI 'Cash for Ash' Scandal to Cost NI Taxpayers £490m," BBC News, December 23, 2016; "Martin McGuinness Resigns as NI Deputy First Minister," BBC News, January 10, 2017.

[11] Sinead O'Shea, "Northern Ireland, Forced by Sinn Fein, Sets Early Election in Shadow of Brexit," *New York Times*, January 16, 2017; "NI Election: Everything You Need to Know About the 2017 Vote," BBC News, March 4, 2017.

The DUP retained the largest number of seats, but Sinn Fein was widely regarded as the biggest winner given its success in reducing the previous gap between the two parties from 10 seats to 1. A high voter turnout of almost 65%—fueled by anger over the energy scandal and a perceived lack of concern from London about Brexit's impact on Northern Ireland—appears to have favored Sinn Fein and the cross-community Alliance Party.[12]

For the first time in the Assembly, unionist parties will not have an overall majority (a largely symbolic status because of the power-sharing rules but highly emblematic for the unionist community). With fewer than 30 seats, the DUP also lost its unilateral ability to trigger a "petition of concern," a procedure used by the DUP to block legislation on various social policy issues, including same-sex marriage. At the same time, the election results reinforced the DUP and Sinn Fein as the dominant voices for their respective communities, suggesting continued and possibly increased polarization in Northern Ireland's politics.[13]

Status of Negotiations

Two years after Assembly elections, Northern Ireland remains without a devolved government. Negotiations have proceeded in fits and starts but appear to be stalemated at present. Press reports indicate that the biggest sticking point is Sinn Fein's demand for a stand-alone Irish Language Act, which the DUP continues to oppose. Some analysts suggest that the June 2017 UK general election, which resulted in Prime Minister Theresa May's Conservative Party losing its majority in the House of Commons and forming a minority government that relies on support from the DUP, has hardened the positions of the DUP and Sinn Fein and made reaching an agreement on a new devolved government more difficult.[14]

In February 2018, media reports signaled that the DUP and Sinn Fein were close to reaching a deal to restore the devolved government. No deal materialized, however. DUP leaders apparently judged that the party's base would not support a possible "package deal" addressing both the Irish and Ulster Scots languages (and other cultural matters). Arlene Foster contended that it was not a "fair and balanced package" and there was "no current prospect" for reestablishing Northern Ireland's power-sharing institutions; she also urged the UK government to "start making policy decisions."[15] While Foster maintained that the DUP was committed to restoring devolved government, some nationalists interpreted her statements as calling for a return to direct rule. Sinn Fein's new leader, Mary Lou McDonald (who replaced Gerry Adams in early 2018), asserted that "direct rule is not acceptable."[16] London does not appear eager to reinstate direct rule or call new elections. Secretary of State for Northern Ireland Karen Bradley has stated that "devolved government is in the best interests of everyone in Northern Ireland."[17]

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[12] Harry McGee, "DUP Smarting from Close Encounter with Sinn Fein Crocodile," *Irish Times*, March 3, 2017; Sinead O'Shea, "Northern Ireland Voters Give Sinn Fein Its Biggest Win Ever," *New York Times*, March 4, 2017.

[13] Enda McClafferty, "Assembly Election a Brutal Result for Unionism," BBC News, March 4, 2017; "NI Election: DUP Loses 'Petition of Concern' Power Opening Door for Gay Marriage," *Belfast Telegraph*, March 4, 2017.

[14] William Booth and Amanda Ferguson, "A Battle Over Language Is at the Heart of Northern Ireland Crisis," *Washington Post*, February 9, 2018; Mark Devenport, "Arlene Foster: No Stand-Alone Irish Language Act," BBC News, February 13, 2018.

[15] As quoted in, Zach Sayer, "DUP Leader: No Prospect of Northern Ireland Deal," *Politico Europe*, February 14, 2018.

[16] As quoted in "Stormont Deadlock: Foster Pushes NI Secretary on Budget," BBC News, February 19, 2018.

[17] As quoted in "We Have to Consider Practical Steps: Northern Ireland Secretary Karen Bradley Reacts as Talks Collapse," *Belfast Telegraph*, February 14, 2018.

In February 2019, Secretary of State Bradley and Irish Foreign Minister Simon Coveney met with Northern Ireland's five main political parties; news reports indicate that both Bradley and Coveney pledged to present proposals to restart negotiations.[18] Some observers contend that the ongoing internal debate within the UK on Brexit—and in particular, the "backstop" designed to ensure no "hard" land border between Northern Ireland and Ireland following the UK's departure from the EU—has consumed UK and Northern Ireland politicians' time and attention and largely overshadowed discussions on a new devolved government. Analysts suggest that any significant progress on reestablishing the devolved government likely will only occur after Brexit and the backstop issue are resolved (see "Possible Implications of Brexit" for more information).

Several commentators have speculated that the British and Irish governments might seek to establish some sort of joint authority if a devolved government cannot be formed, but this approach is largely viewed as a nonstarter for the DUP and other unionists who would be leery of giving Dublin a formal role in Northern Ireland affairs. In the continued absence of a devolved government, Sinn Fein has called for the British-Irish Intergovernmental Conference—provided for in the Good Friday Agreement to promote bilateral cooperation between British and Irish government ministers—to be reconvened (it has not met since the DUP-Sinn Fein power-sharing agreement of 2007). In late 2017, Irish Prime Minister Leo Varadkar appeared to support this idea, but also noted that reviving the intergovernmental conference should not be construed as "joint rule."[19]

Initiatives to Further the Peace Process

Over the past few years, the Northern Ireland political parties and the British and Irish governments have made several attempts to resolve outstanding issues related to the peace process, reduce tensions between the unionist and nationalist communities, and promote reconciliation. Such efforts also have sought to address concerns such as ongoing sectarian strife, paramilitary and dissident activity, and Northern Ireland's legacy of violence (often termed "dealing with the past"). Major endeavors include the 2013 Haass initiative, the 2014 Stormont House Agreement, and the 2015 Fresh Start Agreement.

The Haass Initiative

In July 2013, the Northern Ireland Executive appointed former U.S. diplomat and special envoy for Northern Ireland Richard Haass[20] 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.[21] (The specifics of the Haass proposals are discussed below in "Ongoing Challenges.")

[18] "Stormont: Parties to be Given Talks Proposals," BBC News, February 16, 2019.

[19] Pat Leahy, "Dublin Will Seek 'Meaningful Role' in North If Powersharing Efforts Fail," *Irish Times*, December 22, 2017.

[20] 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.

[21] 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.

The Stormont House Agreement and Implementation Problems

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 faced significant spending cuts given the imposition of austerity measures throughout the UK.[22] 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 September 2014, then-First Minister Peter 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.[23] 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. The talks also would address the issues previously tackled 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 on 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 improve efficiency and cut costs.[24]

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 reservations. Some Alliance and UUP members worried that the accord did not make greater progress toward resolving the parades issue, while Sinn Fein and the SDLP expressed disappointment that the deal 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.[25]

In early 2015, as promised in the Stormont House Agreement, the devolved government brought forward a welfare reform bill to enact the required changes. In March 2015, however, as the bill was nearing completion in the Assembly, Sinn Fein announced it would block the bill. Sinn Fein accused the DUP of reneging on commitments to fully protect current and future welfare claimants and argued that the UK government must provide more money to assist welfare recipients negatively affected by the reforms. The DUP responded that Sinn Fein's behavior was "dishonorable and ham-fisted."[26]

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[22] 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.

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

[24] The Stormont House Agreement is available at https://www.gov.uk/government/publications/the-stormont-house-agreement.

[25] "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.

[26] "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.

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.

On September 9, 2015, the devolved government was further rocked by the arrest of Bobby Storey, a senior Sinn Fein leader (and former IRA commander). 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 McGuigan's murder did not appear to have been sanctioned or directed by the IRA. Sinn Fein asserted that the IRA had "gone away" and no longer existed.[27] Storey and two others (described as "senior republicans") arrested as part of the McGuigan investigation ultimately were released without charge. Nevertheless, the McGuigan killing and Storey's arrest renewed lingering unionist concerns about continuing IRA activities and further complicated efforts to implement the Stormont House Agreement.

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.[28] 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 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.[29]

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 financial package 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 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 108 to 90 members, which would have effect from the first Assembly election after the May 2016 election (and was thus implemented in the March 2017 snap elections). The Stormont House Agreement also decreased the number of government departments from 12 to 9 and made provision for an official opposition in the Assembly.

[27] "Kevin McGuigan Murder: Provisional IRA Still Exists, Says PSNI Chief," BBC News, August 22, 2015; "Sinn Fein's Gerry Adams Says IRA Has Gone Away," BBC News, August 23, 2015.

[28] 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.

[29] See "Northern Ireland Political Crisis: Politicians and Key Figures React to Fresh Start Agreement," BBC News, November 17, 2015.

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. Controversial 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, the 2013 Haass initiative, the 2014 Stormont House Agreement, and the 2015 Fresh Start Agreement all attempted to tackle at least some aspects of these long-standing challenges. Some measures agreed in these successive accords have been delayed amid the current absence of a devolved government. Significant concerns also exist about the possible implications of Brexit for Northern Ireland.

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. Peace walls that separate Protestant and Catholic neighborhoods are perhaps the most tangible sign of such divisions. Estimates of the number of peace walls vary depending on the definition used. Northern Ireland's Department of Justice recognizes around 50 peace walls 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 over 100. Northern Ireland's Executive is working to remove the peace walls, but a 2015 survey of public attitudes toward the 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.[30]

Some analysts contend that sectarian divisions are particularly 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. 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.[31]

[30] "Northern Ireland Interfaces: More Residents Want Peace Walls to Stay," BBC News, December 15, 2015; Paul Nolan, "Two Tribes: A Divided Northern Ireland," *Irish Times*, April 1, 2017; "Belfast Community Welcomes Dismantling of Former Peace Wall," *Irish Times*, September 20, 2017.

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

Although the Hillsborough Agreement called for a new parading structure to be established by the end of 2010, this process quickly stalled. The DUP-Sinn Fein-led Northern Ireland Executive proposed new parades legislation in mid-2010 that would have abolished the 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. The DUP asserted that it a new parading structure would not succeed without the support of the Orange Order.[32]

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.[33]

As mentioned previously, parading, protests, and the use of flags and emblems were discussed during the 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, 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 and establishing two new institutions: one to receive all event notifications and promote community dialogue and mediation; and another to make decisions in cases where parading and protest disputes remained. The Haass proposals also called for establishing in law a code of conduct for both marchers and protesters. 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 new legislation should be introduced. The Stormont House Agreement, however, did not provide further specifics and did not reference the parading institutions proposed by Haass.

As noted above, the crisis over welfare reform and paramilitary activity largely stalled implementation of the Stormont House Agreement. According to the Fresh Start Agreement of November 2015, the measures outlined in the Stormont House Agreement on the issues of flags and parades would move forward. The Commission on Flags, Identity, Culture and Tradition began work in June 2016. As for legislation on parading and related protests, the Fresh Start Agreement called for a discussion paper to be 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 new legislation. To date, the discussion paper on parading has not yet been presented given the impasse in the devolved government.

[32] "Parades Legislation on Hold over Orange Order Move," BBC News, September 27, 2010.

[33] "Q&A: Northern Ireland Flag Protests," BBC News, December 8, 2012.

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; the HET was wound down at the end of 2014, and its work was taken over by another, smaller unit within the PSNI. Others note the expense and time involved with some of these processes; for example, the Bloody Sunday inquiry cost £195 million (more than $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.[34]

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 new mechanisms to consolidate police investigations and better address the needs of victims and survivors. The December 2014 Stormont House Agreement largely endorsed the proposals suggested by Haass. Among other measures for dealing with the past, the Stormont House Agreement called for setting up four bodies:

- **Historical Investigations Unit (HIU).** This body would take forward outstanding cases from the HET process and the historical unit of the Police Ombudsman dealing with past police misconduct cases. 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.
- **Independent Commission for Information Retrieval (ICIR).** The ICIR would enable victims and survivors to seek and privately receive information about conflict-related violence. It would 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 the identities of those coming forward with information to law enforcement authorities, and any

[34] "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.

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.

- **Oral History Archive.** The Northern Ireland Executive would establish this archive by 2016 to provide a central place for people from all backgrounds to share experiences and narratives related to the Troubles.
- **Implementation and Reconciliation Group (IRG).** This body would be set up to oversee work on themes, archives, and information recovery in an effort to promote reconciliation and reduce sectarianism.

In September 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.[35] Amid the crisis in the devolved government in the fall of 2015, however, work on setting up these new bodies 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 UK government with a veto over the release of information by the proposed HIU.

Divisions over such "national security caveats" 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. In February 2016, then-Secretary of State for Northern Ireland Theresa 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 UK government offered a "significant compromise," in which families would be told whether the government had required the HIU to withhold certain sensitive information, and that the families or the HIU director would have the right to challenge this decision in Northern Ireland's High Court.[36]

Press reports indicate that victims groups and nationalists remained concerned that "national security" could be used to cover up criminal wrongdoing by state agents. Sinn Fein reportedly argued that an international panel of judges should be appointed to hear any appeals, rather than the High Court.[37] Despite continued discussions in 2016 between the UK government, Sinn Fein, the DUP, and other stakeholders, the "national security caveats" continued to pose a stumbling block to implementing the "dealing with the past" provisions in the Stormont House Agreement. The stalemate since 2017 in reestablishing a devolved government further stalled work on mechanisms to address Northern Ireland's legacy of violence.

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[35] 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.

[36] 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.

[37] 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.

In May 2018, the UK government launched a public consultation process on a draft bill to establish the four legacy institutions called for in the Stormont House Agreement—the HIU, the ICIR, the Oral History Archive, and the IRG.[38] The government envisions that the HIU would have a caseload of about 1,700 Troubles-related deaths. "National security caveats" for the HIU would remain, but, as described by former Secretary of State Villiers, families or the HIU director would be able to appeal government decisions to withhold information to Northern Ireland's High Court. At the same time, unionists have voiced concerns that the HIU could unfairly target former soldiers and police officers, and many argue that any measures to deal with the past in Northern Ireland should contain a statute of limitation on the prosecution of former soldiers. Nationalists strongly reject any such statute of limitations or amnesty to prosecutions. Human rights groups have complained that the government's proposals largely neglect the right of individuals injured during the Troubles to have their cases investigated. The public consultation process concluded in October 2018, but its findings have yet to be released.[39]

Remaining Paramilitary and Dissident Activity

Paramilitary Concerns

Experts contend that the major paramilitary organizations active during the Troubles are now committed to the political process and remain on cease-fire. However, the apparent continued existence of such groups and their engagement in criminality worries many in both the unionist and nationalist communities. In response to the heightened concerns about paramilitary activity in Northern Ireland in 2015, former Secretary of State for Northern Ireland Villiers commissioned a study on the status of republican and loyalist paramilitary groups. This review was drafted jointly by the PSNI and MI5 (the UK's domestic intelligence service) and reviewed by three independent observers. Published in October 2015, the assessment found that

- all the main paramilitary groups operating during the Troubles still existed, but they remained on cease-fire, and the leadership of each group, "to different degrees," is "committed to peaceful means to achieve their political objectives."[40]
- although such paramilitary 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, 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. None of the leaderships have complete control over the activities of their members, and "there is regular unsanctioned activity including behavior in direct contravention of leadership instruction."[41]

[38] Government of the UK, "Consultation Paper Addressing the Legacy of the Northern Ireland's Past," May 2018, at https://www.gov.uk/government/consultations/addressing-the-legacy-of-northern-irelands-past.

[39] Gareth Gordon, "Troubles Legacy Consultation Launched by Government," BBC News, May 11, 2018.

[40] 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).

[41] 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.

The Fresh Start Agreement sought to address some of the most pressing concerns about the main paramilitary groups in Northern Ireland. Among the measures, 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;
- an independent three-member panel tasked with recommending a strategy for disbanding paramilitary groups;
- a new, four-member international body to monitor paramilitary activity and to report annually on progress toward ending paramilitary activity; and
- 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 suggested that some of these proposals did not go far enough. Press reports indicated that some unionists were unhappy that the new international paramilitary monitoring body—unlike the former Independent Monitoring Commission (IMC)—would 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 exclusively peaceful means.[42] 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 to improve its ability to tackle dissident groups, remaining paramilitarism, and organized crime.

In June 2016, the so-called Three Person Panel published its report with 43 recommendations for disbanding paramilitary groups; in July 2016, Northern Ireland's Executive set out an action plan on tackling paramilitary activity, criminality, and organized crime based on the panel's work.[43] In September 2016, the British and Irish governments agreed to establish the four-person Independent Reporting Commission (IRC), tasked with monitoring progress on ending paramilitary activity, including the Executive's new action plan. In December 2016, the British and Irish governments named one representative each to the IRC and the Northern Ireland Executive named two.[44] The IRC released its first annual report in October 2018; the IRC assessed that although some progress has been made, paramilitarism remains a "stark reality of life in Northern Ireland" and that the lack of political decisionmaking institutions since January 2017 has negatively affected efforts to tackle paramilitarism.[45]

The Dissident Threat

Security assessments indicate that the threat posed by dissident republican and loyalist groups not on cease-fire and opposed to the 1998 peace agreement remains serious. The aforementioned

[42] Mark Devenport, "NI Politicians Pull Back from Precipice with Fresh Start Deal," BBC News, November 17, 2015.

[43] "Tackling Paramilitarism: NI Executive Sets Out £50m Plan," BBC News, July 19, 2016.

[44] The UK government chose former U.S. Special Envoy for Northern Ireland, Mitchell Reiss, as its representative on the Independent Reporting Commission. Reiss succeeded Richard Haass as special envoy in the George W. Bush Administration and served in this capacity from 2003 to 2007. For more information, see Gerry Moriarty, "Mitchell Reiss Joins North Commission to Tackle Paramilitarism," *Irish Times*, December 14, 2016.

[45] *Independent Reporting Commission First Report*, October 23, 2018, at https://www.ircommission.org/publications/irc-first-report.

October 2015 review of paramilitary groups maintained that the most significant terrorist threat in Northern Ireland was posed not by the groups evaluated in that report but rather by dissident republicans. The review described dissident loyalist groups as posing another, albeit "smaller," threat. Some loyalists are heavily engaged in a wide range of serious crimes.

At the same time, experts note that 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 Troubles. Moreover, the actual number of individuals actively involved has not grown significantly in recent years, although such dissident republican groups have proliferated.[46]

UK security services assert that there are currently four main dissident republican groups: the Continuity IRA (CIRA); Óglaigh na hÉireann (ÓNH); Arm na Poblachta (ANP), and the New IRA (which reportedly was formed in 2012 and brought together the Real IRA, the Republican Action Against Drugs, or RAAD, and a number of independent republicans). These groups have sought to target police officers, prison officers, and other members of the security services in particular. Between 2009 and 2017, dissident republicans were responsible for the deaths of two PSNI officers, two British soldiers, and two prison officers.[47]

In January 2018, ÓNH declared itself on cease-fire. However, the other groups remain active, and authorities warn that the threat posed by the New IRA in particular is severe. The New IRA has carried out about 40 attacks since 2012. Police believe the New IRA may have been responsible for the January 2019 car bomb that exploded in Londonderry (or Derry). Some experts are concerned that dissident republicans could seek to step up attacks in an effort to exploit the divisions due to Brexit.[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 equal opportunity for Catholics and Protestants. Northern Ireland's economy has made significant advances since the 1990s. Between 1997 and 2007, Northern Ireland's economy grew an average of 5.6% annually (marginally above the UK average of 5.4%). Unemployment decreased from over 17% in the late 1980s to 4.3% by 2007. The 2008-2009 global recession, however, significantly affected Northern Ireland. Economic recovery has been slow in Northern Ireland, although it appears to have gained momentum since 2017. In the four quarters ending September 2018, Northern Ireland's economic activity grew by approximately 2.1%, as compared to 1.5% growth for the UK overall.[49] Unemployment in Northern Ireland is currently 3.8%, lower than the UK average (4.0%), and that in the Republic of Ireland (5.3%) and the EU (6.7%).[50]

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[46] David McKittrick, "Northern Ireland: The Peace Process and the Dissident Menace," *The Independent*, February 18, 2014; Richard English, "Why Republican Dissidents Have Not—And Will Not—Go Away," *Irish Times*, July 19, 2017.

[47] MI5, "Northern Ireland," at https://www.mi5.gov.uk/northern-ireland.

[48] Peter Taylor, "New Dissidents Hoping to Exploit Brexit," BBC News, May 15, 2018; Naomi O'Leary, "Northern Ireland Bomb Is a Warning We Can't Ignore," *Politico Europe*, January 22, 2019.

[49] Northern Ireland Statistics and Research Agency, *Northern Ireland Composite Economic Index Quarter 3 2018*, January 17, 2019.

[50] Northern Ireland Statistics and Research Agency, *Northern Ireland Labour Market Report*, February 2019.

Income earned and living standards in Northern Ireland remain below the UK average. Of the UK's 12 economic regions, Northern Ireland had the third-lowest gross value added per capita in 2017 (£21,172), considerably below the UK's average (£27,555).[51] 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 the Troubles) remain so and that many of the areas considered to be the most deprived are predominantly Catholic.[52]

At the same time, Northern Ireland 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 a 10 percentage point difference) and has largely converged in recent years (in 2017, the economic activity rate was 70% for Protestants and 67% for Catholics). In addition, the percentage point gap in unemployment rates between the two communities has decreased from 9% in 1992 to 0% in 2017.[53]

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. Reducing Northern Ireland's economic dependency on the public sector (which accounts for about 70% of the region's GDP 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 cross-party negotiations in both 2014 and 2015.[54] In 2015, the UK passed legislation to permit the devolution of corporation tax-setting power to the Northern Ireland Assembly (subject to certain financial conditions). The Fresh Start Agreement set 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). In the absence of devolved government, however, reducing Northern Ireland's corporate tax rate is on hold.

Possible Implications of Brexit[55]

The UK is scheduled to exit the EU on March 29, 2019. Many officials and analysts are concerned about Brexit's possible implications for Northern Ireland's peace process, economy, and, in the longer term, constitutional status. At the time of the 1998 Good Friday Agreement, the EU membership of both the United Kingdom and the Republic of Ireland was viewed as essential to underpinning the peace process by providing a common European identity for both unionists and nationalists. In the years since, as security checkpoints were removed in accordance with the peace agreement, and because both the UK and Ireland belonged to the EU's single market and customs union, the circuitous 300-mile land border between Northern Ireland and Ireland effectively disappeared. This served as an important political symbol on both sides of the sectarian divide and helped produce a dynamic cross-border economy. Preventing a "hard" land border (with customs checks and physical infrastructure) on the island of Ireland has been a key

[51] Gross value added (GVA) is similar, although not exactly equivalent, to gross domestic product (GDP); the UK government uses GVA as the measure to compare regional economic performance. House of Commons Library Briefing Paper, *Regional and Country Economic Indicators*, February 26, 2019.

[52] Northern Ireland Statistics and Research Agency, *Northern Ireland Multiple Deprivation Measures 2017*, November 2017; John Campbell, "Belfast Home to Half of NI's 100 Most Deprived Areas," BBC News, November 24, 2017.

[53] Office of the First Minister and Deputy First Minister, *Labour Force Survey Religion Report 2017*, January 2019.

[54] Vincent Boland, "Northern Ireland Braces for Austerity," *Financial Times*, March 2, 2015.

[55] For more information on Brexit, see CRS Report RL33105, *The United Kingdom: Background, Brexit, and Relations with the United States*, by Derek E. Mix; and CRS Insight IN11018, *Brexit Deal Rejected: What Now?*, by Derek E. Mix.

goal, as well as a major stumbling block, in negotiating and finalizing the UK's withdrawal agreement with the EU.

The Irish Border, the Peace Process, and Status Issues

Many on both sides of Northern Ireland's sectarian divide have expressed concerns that Brexit could lead to a return of a hard border with the Republic of Ireland and destabilize the fragile peace in Northern Ireland, in part because it could pose a considerable security risk. During the Troubles, the border regions were considered "bandit country," with smugglers and gunrunners, and checkpoints were frequently the site of sectarian conflict, especially between British soldiers and the IRA.[56] PSNI Police Chief George Hamilton warns that if physical border posts were reinstated as a result of Brexit, they would be seen as "fair game" by violent dissident republicans opposed to the peace process, endangering the lives of police and customs officers.[57] Such renewed violence not only would threaten the security and stability of the border regions but also could put the entire peace process at risk. In addition, establishing checkpoints would pose logistical difficulties given that estimates suggest there are upward of 275 crossing points along the Northern Ireland-Ireland border.[58]

UK, Irish, and EU leaders have asserted repeatedly that they do not want a hard border and have sought to prevent such a possibility. Resolving the border issue, however, has presented one of the most difficult challenges in UK-EU negotiations on Brexit. Analysts contend that ensuring an open border has been complicated by the UK government's pursuit of a largely "hard Brexit" that would keep the UK outside of the EU's single market and customs union.

In December 2017, the UK and the EU reached an agreement in principle on main aspects of three priority issues in the withdrawal negotiations (citizens' rights, financial settlement, and Ireland/Northern Ireland). Among other measures related to Northern Ireland, the UK pledged to uphold the Good Friday Agreement, avoid a hard border (and any physical infrastructure), and protect North-South cooperation on the island of Ireland. Crucially, the UK also committed to the so-called backstop—a mechanism designed to guarantee that the border would remain invisible under all circumstances.[59]

Finding agreement on precisely how this backstop would function, however, did not prove easy for UK and EU negotiators. In November 2018, the UK and the EU concluded a draft withdrawal agreement (outlining the terms of the "divorce") and a draft political declaration (setting out the broad contours of the future UK-EU relationship).[60] The withdrawal agreement contains a 21-

[56] William Booth, "Northern Ireland Has Become an Unexpected Hurdle for Brexit," *Washington Post*, February 28, 2018.

[57] Henry McDonald, "Police Chief Says 'Hard Brexit' Irish Border Would Be Paramilitary Target," *The Guardian*, February 7, 2018.

[58] The UK government asserts there are 15 principal crossing points along the Northern Ireland-Ireland land border and "many" other crossing points; it estimates that there are 110 million person border crossings annually. UK Government, "Additional Data Paper: Common Travel Area Data and Statistics," *The UK's Exit from the European Union: Northern Ireland and Ireland – Position Paper*, August 16, 2017. Also see, Sarah Lyall, "On Irish Border, Worries that Brexit Will Undo a Hard-won Peace," *New York Times*, August 5, 2017; "Reality Check: Ireland's Border and Brexit," BBC News, August 16, 2017.

[59] Joint Report from the Negotiators of the European Union and the United Kingdom Government on Progress During Phase 1 of Negotiations Under Article 50 TEU on the United Kingdom's Orderly Withdrawal from the European Union, December 8, 2017, at https://ec.europa.eu/commission/sites/beta-political/files/joint_report.pdf.

[60] The texts of the draft UK-EU withdrawal agreement and political declaration, released November 14, 2018, are available at, https://www.gov.uk/government/publications/progress-on-the-uks-exit-from-and-future-relationship-with-

month transition period (in which the UK would cease to be an EU member but would continue to apply EU rules while negotiations continue on the details of the UK's future political and economic relationship with the EU). The backstop arrangement ultimately reached in the withdrawal agreement essentially would keep all of the UK in a customs union with the EU (with areas of deeper regulatory alignment between Northern Ireland and the EU) pending agreement on a more preferable solution in forthcoming negotiations on the future UK-EU relationship.

Various elements of the withdrawal agreement have faced opposition in the UK Parliament, but the backstop has emerged as the primary sticking point. Many critics argued that the backstop, if triggered, would tie the UK to an EU customs union indefinitely, prohibit the UK from concluding its own free trade deals with other countries, and leave the UK in the position of having to accept EU rules without having a say in EU decisionmaking. The DUP warned that the backstop would create regulatory divergence between Northern Ireland and the rest of the UK and thus would threaten the constitutional integrity of the United Kingdom. UK officials maintain that it will never be necessary to implement the backstop.[61]

On January 15, 2019, the UK Parliament decisively rejected the withdrawal agreement by a vote of 432 to 202. This has intensified fears about a disorderly "no deal" scenario in which the UK would "crash out" of the EU at the end of March without a transition period and settled arrangements in place. Prime Minister May has approached the EU about devising "alternative arrangements" to the backstop or modifying it in an effort to secure the UK Parliament's approval. UK officials have proposed possibly imposing a time limit on the backstop or a mechanism by which the UK could withdraw from the backstop. The EU insists that the backstop and the withdrawal agreement are not open for renegotiation, and press reports suggest that the UK government has been unsuccessful to date in gaining any EU concessions. Prime Minister May intends to put the withdrawal agreement to another vote in the UK Parliament on March 12, 2019. If Parliament again fails to approve the withdrawal agreement, it is then expected to consider whether to back "no deal" or direct the government to seek to extend the March 29 deadline. Extending the deadline for the UK's departure from the EU would require the unanimous agreement of the other 27 EU member states.

Although the UK, the EU, and Ireland have escalated contingency planning for a "no deal" Brexit, the Irish government continues to resist making any plans for physical infrastructure on the Irish border. The Irish government maintains that there will be no hardening of the Irish border under any circumstances and insists that an arrangement similar to the backstop would have to be negotiated even if there is no approved UK withdrawal agreement. Irish Prime Minister Varadkar admits that a "no deal" scenario would entail "difficult discussions" with the EU and the UK.[62] Some analysts assert, however, that in the event of a "no deal" Brexit, protecting the integrity of the single market will be an EU priority, which will necessitate customs checks and some sort of border infrastructure.[63]

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the-european-union.

[61] Charlie Cooper, "Theresa May Faces Hostility on All Sides as She Fights to Save Brexit Deal," *Politico Europe*, November 15, 2018.

[62] As quoted in, John Campbell, "Brexit: David Sterling Warns of 'Grave' No-deal Consequences," BBC News, March 5, 2019.

[63] John Campbell, "Brexit: What Does Ireland Do If There's No Deal?," BBC News, December 13, 2018; Daniel Boffey and Jennifer Rankin, "No-deal Brexit Would Mean Hard Irish Border, EU Confirms," *The Guardian,* January 22, 2019.

Some "Brexiteers"—or those in the UK who strongly favor a "hard Brexit"—contend that the border issue is being exploited by the EU and those in the UK who would prefer a "soft Brexit" (in which the UK remains inside the EU single market and/or customs union). Some Brexiteers have ruminated whether the Good Friday Agreement has outlived its usefulness, especially in light of the stalemate in reestablishing Northern Ireland's devolved government. The Prime Minister's office responded that the UK government remains "fully committed" to the Good Friday Agreement.[64]

Brexit also has revived questions about Northern Ireland's constitutional status within the UK in the longer term. Sinn Fein argues that "Brexit changes everything" and could generate greater support for a united Ireland.[65] At the same time, most experts believe that the conditions required to hold a "border poll" on Northern Ireland's constitutional status do not currently exist. Opinion polls indicate that a majority of people in Northern Ireland continue to support Northern Ireland's position within the UK, although some surveys suggest that a "damaging Brexit" could increase support for a united Ireland. According to one recent press report, concerns appear to be growing within the UK government that a "no deal" Brexit could change the dynamics and lead to a border poll on Irish unification.[66]

Economic Concerns

Many experts contend that Brexit could have serious negative economic consequences for Northern Ireland. According to a UK parliamentary report, Northern Ireland depends more on the EU market (and especially that of the Republic of Ireland) for its exports than does the rest of the UK. Approximately 52% of Northern Ireland exports go to the EU, including 38% to the Republic of Ireland.[67] UK government statistics indicate that Ireland is the top external export and import partner for Northern Ireland.[68] Analysts worry in particular that a "hard Brexit" outside of the EU's single market and customs union could jeopardize Northern Ireland's extensive cross-border trade with Ireland, as well as integrated labor markets and industries that operate on an all-island basis. Some analysts note that access to the EU single market has been one reason for Northern Ireland's success in attracting foreign direct investment, and they suggest that Brexit could deter future investment. Post-Brexit, Northern Ireland also stands to lose EU regional funding (roughly $1.3 billion between 2014 and 2020) and agricultural aid (direct EU farm subsidies to Northern Ireland are nearly $375 million annually).[69]

UK officials assert that the government is determined to safeguard Northern Ireland's interests and "make a success of Brexit" for Northern Ireland.[70] UK and DUP leaders maintain that the rest of the UK is more important economically, historically, and culturally to Northern Ireland than the EU. They note, for example, that the UK is the most significant market for businesses in Northern Ireland, with sales to other parts of the UK worth one and a third times the value of all

[64] "UK Fully Committed to Good Friday Agreement," *Belfast Telegraph*, February 19, 2018; Peter Geoghegan, "Brexiteers Launch Broadside at Northern Ireland Peace Deal," *Politico Europe*, February 22, 2018.

[65] Sinn Fein Discussion Document, *Towards a United Ireland*, November 2016.

[66] Jonathan Bell, "Brexit Impact on Northern Ireland Could Sway Border Poll Result," *Belfast Telegraph*, October 25, 2017; Nick Eardley, "Brexit: 'Very Real' Chance of Irish Unity Poll If No Deal," BBC News, February 8, 2019; "Irish Times View on All-Ireland Poll: Politics and People Diverge on Brexit," *Irish Times*, March 7, 2019.

[67] Report of the UK House of Lords European Union Committee, *Brexit: UK-Irish Relations*, December 2016.

[68] HM Revenue and Customs Service, *Regional Trade Statistics*, 4th Quarter 2018.

[69] House of Commons Library Briefing Paper, *Brexit: Impact Across Policy Areas*, August 26, 2016.

[70] UK Government Press Release, "Brokenshire Holds Inaugural Meeting of Northern Ireland Business Advisory Group," September 1, 2016.

Northern Ireland exports and nearly four times the value of exports to Ireland (in 2016).[71] UK and DUP officials insist that Northern Ireland will continue to trade with the EU (including Ireland) and that Brexit offers new economic opportunities for Northern Ireland outside the EU.[72]

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 George W. 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.

The Obama Administration remained engaged in 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 devolving policing and justice powers. In February 2010, President Obama welcomed the resulting Hillsborough Agreement. 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.[73] The Obama Administration welcomed the conclusion of both the December 2014 Stormont House Agreement and the November 2015 Fresh Start Agreement.

Like its predecessors, the Trump Administration has offered support and encouragement to Northern Ireland. In March 2017, Vice President Mike Pence noted that, "the advance of peace and prosperity in Northern Ireland is one of the great success stories of the past 20 years" and paid tribute to Senator Mitchell and his role in the peace process.[74] In November 2017, the State Department spokesperson expressed regret at the impasse in discussions to restore Northern Ireland's power-sharing institutions, urged continued dialogue, and asserted that the United States remained "ready to support efforts that ensure full implementation of the Good Friday Agreement and subsequent follow-on cross-party agreements."[75]

Many Members of Congress have actively supported the peace process for decades. Encouraged by progress on police reforms, several Members prompted the Bush Administration in December 2001 to lift a ban on contacts between the Federal Bureau of Investigation and the new PSNI. Congress had initiated this prohibition in 1999 because of the former RUC's human rights record. More recently, 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.[76] Some Members of Congress have urged the Trump Administration to

[71] Northern Ireland Statistics and Research Agency, *Overview of Northern Ireland Trade*, December 20, 2017.

[72] Stephen Walker, "Brexit: Northern Ireland Can Be Success Outside EU," BBC News, October 4, 2016; Pat Leahy, "No Return to Hard Border Post-Brexit, Says Theresa May," *The Irish Times*, January 30, 2017.

[73] As quoted in, "G8 Summit: U.S. Will Stand by Northern Ireland, Says Obama," BBC News, June 17, 2013.

[74] Remarks by the Vice President to the American Ireland Fund National Gala, March 15, 2017.

[75] U.S. Department of State, Office of the Spokesperson, Statement on Northern Ireland Power-sharing Talks, November 1, 2017.

[76] See, for example, 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

name a special envoy for Northern Ireland to signal that the United States remains committed to the region, especially in light of the stalemate in reestablishing the devolved government.[77]

On the economic front, the United States is an important source of investment for Northern Ireland. According to one study, foreign direct investment by U.S.-based companies in Northern Ireland totaled £1.48 billion (nearly $2.1 billion) between 2003-2004 and 2015-2016 and was responsible for creating 13,875 jobs.[78] 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.

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 $540 million since the IFI's establishment, roughly half of total IFI funding.[79] The 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.[80]

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. In its first two decades, IFI projects in Northern Ireland and the southern border counties focused on economic and business development and sectors such as tourism, agriculture, and technology. 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 began shifting its strategic emphasis away from economic development and toward projects aimed at promoting community reconciliation and overcoming past divisions.[81]

Successive U.S. Administrations and many Members of Congress have 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. 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.

18, 2015; Commission on Security and Cooperation in Europe, "The Good Friday Agreement at 20," 115th Congress, March 22, 2018.

[77] "Donald Trump Urged to Appoint NI Special Envoy," BBC News, February 22, 2018.

[78] Northern Ireland Department of the Economy, *Trends in Foreign Direct Investment from the United States, 2003-2015*, May 2017.

[79] The Anglo-Irish Agreement Support Act of 1986 (P.L. 99-415) authorizes U.S. contributions to the IFI.

[80] U.S. Consulate General Belfast, *Background Paper: International Fund for Ireland*, September 2018, available at https://uk.usembassy.gov/embassy-consulates/belfast/northern-ireland-policy-statements.

[81] For more information, see the IFI's website: http://internationalfundforireland.com.

However, critics have questioned the IFI's effectiveness, 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 time to move the U.S. relationship with Ireland and Northern Ireland onto a more mature and equal footing, and that 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 continued to support U.S. funding for the IFI, noting the financial woes in Ireland and Northern Ireland stemming from the 2008-2009 global recession and increasing concerns about the possibility of dissident violence, and ongoing sectarian tensions in the region. They pointed out that in light of these evolved circumstances, the IFI itself reversed course, announcing it would continue functioning for the near term. Press reports indicated that the British and Irish governments also supported the IFI's continuation, as did Northern Ireland's Executive.[82] Subsequent to the FY2011 budget deliberations, the Obama Administration allocated $2.5 million from FY2011 Economic Support Fund (ESF) resources to the IFI in the form of a grant for specific IFI activities to support peace and security in Ireland and Northern Ireland.

For FY2012, the Obama 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 an increase in sectarian-driven hate crimes and paramilitary-style shootings and assaults in Northern Ireland, and that U.S. assistance would seek to counter these negative trends "by addressing the root causes of violence and intolerance."[83] For similar reasons, in its FY2013 and FY2014 budget requests the Administration proposed $2.5 million for the IFI, as part of its ESF request for the Europe and Eurasia region aimed at promoting peace

[82] Niall Stanage, "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.

[83] 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.

and reconciliation programs.[84] The Obama Administration did not request funding for the IFI in its subsequent annual budget requests.

According to the U.S. Agency for International Development (USAID), 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.[85] In June 2016, the Obama Administration allocated $750,000 from FY2015 ESF resources to the IFI in the form of a grant to support activities aimed at promoting a sustained peace in Northern Ireland and the border counties of Ireland; examples of programs to be supported included cross-community workshops on violence prevention and job training for unemployed youth in communities with high rates of joblessness and sectarian violence. For similar purposes as described for FY2015, the Obama Administration allocated $750,000 from FY2016 ESF funds to the IFI in the form of a grant in December 2016, and the Trump Administration allocated $750,000 from FY2017 ESF funds to the IFI in August 2018, also in the form of a grant. The Trump Administration did not request funding for the IFI in its FY2018 or FY2019 budget requests.

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[84] 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, at http://www.state.gov/documents/organization/208291.pdfhttp://www.state.gov/documents/organization/208291.pdf.

[85] CRS correspondence with the U.S. Agency for International Development, July 2014.